# BOARD OF DIRECTORS
## REGULAR QUARTERLY MEETING

**Redacted**

Lunch provided for Board members & invited guests

I. **CALL TO ORDER**

II. **PUBLIC COMMENTS**

  * 5 minutes allowed per speaker, with a cumulative total of 15 minutes per group
  * For further details and policy see Request for Public Comments notices available in the meeting room

III. *MINUTES – Regular Quarterly Meeting, April 8, 2011 (ADD A – Pp16-67)*

IV. **OLD BUSINESS**

  A. Prior Meeting Action Items

V. **NEW BUSINESS**


VI. **PRESENTATIONS**

  A. Update on Health Development Grants (ADD D – Pp75-82) Kristine Roberts/Aimee Jones
  B. Update on Research Institute Studies – (ADD E – Pp83-85) Melissa Wallace
  C. Management Services Agreement with Palomar Pomerado Health Tim Nguyen

D. Grant Proposal Update:

E. Grant Activity Updates:
   a. Center for Nursing Excellence (ADD G – Pp90-94)
      i. Archstone Foundation Brenda Fischer
      ii. Transitions Into Practice I Brenda Fischer
      iii. Transitions Into Practice II Brenda Fischer
   b. LS-1 Study Termination Brenda Fischer
   c. INTERLINK Pathways & West Foundation Grant – (ADD H – Pp95-112) Leslie Solomon

VII. **INFORMATION ITEMS**

VIII. **BOARD MEMBER COMMENTS/FUTURE AGENDA ITEMS**

IX. **FINAL ADJOURNMENT**

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* Asterisks indicate anticipated action; action is not limited to those designated items

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Next Meeting: Annual Organizational Meeting, Friday, January 13, 2012 – 12:00 noon to 2:00 p.m. 1st Floor Conf Room, 456 E. Grand Avenue, Escondido, CA

If you have a disability, please contact us 72 hours prior to scheduled meeting time by calling 760-740-6383 to arrange reasonable accommodations

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456 E. Grand Avenue, Escondido, CA 92025 Tel 760.740.6385 Web www.pph.org/default.aspx?nd=1741
TO: HD Board of Directors

MEETING DATE: Friday, October 7, 2011

FROM: Tanya Howell, Secretary

Background: The minutes of the Regular Quarterly Meeting held on Friday, April 8, 2011, are respectfully submitted for approval (Addendum A).

Budget Impact: N/A

STAFF RECOMMENDATION: Approval of the April 8, 2011, Regular Quarterly Meeting minutes.

Motion: X

Individual Action:

Information:

Required Time:
TO: HD Board of Directors

MEETING DATE: Friday, October 7, 2011

FROM: Tanya Howell, Secretary

Background: As a means to track items pending follow-up review by the Board, the attached Prior Meeting Action Items listing has been created. This document is color-coded based on the following legend:

- Due at a specific future date
- No date specified
- Status update for this meeting

Topics will remain on the listing until resolved; the listing will be updated following each meeting; and it will be included in all future agenda packets.

Budget Impact: N/A

STAFF RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
1 1/14/11: Ms. Roberts is to provide Chairperson Greer with a total number of women served via the Komen Grant

2 4/8/11: Palliative Care – Dr. Brenda Fischer will be invited to the April 2012 meeting to provide an update on Palliative Care
TO: HD Board of Directors
MEETING DATE: Friday, October 7, 2011
FROM: Robert A. Hemker, Chief Financial Officer

Background: The attached Fiscal Year 2011 Pre-audit Financial Reports for Health Development and the Research Institute are submitted for the Board’s approval (Addendum B).

Budget Impact: None.

Committee Questions:

Staff Recommendation: Approval

Motion: X

Individual Action:

Information:

Required Time:
TO: HD Board of Directors
MEETING DATE: Friday, October 7, 2011
FROM: Robert A. Hemker, Chief Financial Officer

Background: The Fiscal Year 2012 Financial Reports (unaudited) for Health Development and the Research Institute are submitted for the Board’s approval (Addendum C).

Budget Impact: None.

Committee Questions:

staff recommendation: Approval

Motion: X

Individual Action: Information:

Required Time:
TO: HD Board of Directors

MEETING DATE: Friday, October 7, 2011

FROM: Robert A. Hemker, Chief Financial Officer

Background: Kristine Roberts will update the Board on contracts managed by Health Development (Addendum D).

Budget Impact: N/A

STAFF RECOMMENDATION:

Motion:
Individual Action:
Information: X
Required Time:
Update on Research Institute Studies

TO: HD Board of Directors
MEETING DATE: Friday, October 7, 2011
FROM: Robert A. Hemker, Chief Financial Officer

Background: Melissa Wallace will update the Board on studies currently managed by the Research Institute (Addendum E).

Budget Impact: N/A

STAFF RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
TO: HD Board of Directors

MEETING DATE: Friday, October 7, 2011

FROM: Robert A. Hemker, Chief Financial Officer

Background: A Management Services Agreement is being negotiated between Health Development and Palomar Pomerado Health for reimbursement of the time spent by Melissa Wallace to provide administrative oversight for the studies being conducted through the Research Institute.

Budget Impact: $2,000 per month from Research Institute funds, retroactive to July 1, 2011,

Committee Questions:

STAFF RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
Update on Grant Application for Patient Transportation

TO: Health Development Board

MEETING DATE: Friday, October 7, 2011

FROM: Ann Z Moore, Systems Director Wound Care and Diabetes

Background: As reported at the April Board meeting, an application was submitted to Caltrans/SANDAG, requesting grant funding for the purchase of two wheelchair accessible vans to provide transportation for patients of the Wound Care Clinics who are currently unable to get from their homes to their outpatient visits for diabetes and wound care.

It was announced on September 15th that the California Transportation Commission (CTC) had adopted the Section 5310 Program of Projects (POP) list for Grant Cycle 057 (Addendum F). Based on the CTC scoring criteria, Health Development’s request for funding made the list with a score of 94, with funding of $60,000 for each van. This is the first step of the approval process. Next steps and timing of grant finalization as outlined by Caltrans are:

1. Regional Transportation Planning Agencies (RTPAs)/Metropolitan Planning Organizations (MPOs) must program all 5310 projects in their FTIP/FSTIP and submit to Caltrans Programming by October 31, 2011.
   a. This is required before the Caltrans grant application can be submitted to the Federal Transit Administration (FTA) for funding.

2. Caltrans will then submit the entire 5310 grant to the FTA by November 30, 2011.

3. FTA will award the grant to Caltrans in approximately 60 days.

4. Sub-recipient Workshops will be scheduled in February 2012.
   a. Successful agencies will then be notified to attend and discuss state contract procurement processes, prepare Draft Purchase Orders, and finalize the Caltrans Standard Agreements.

Budget Impact: $120,000 for two vans, upon final approval of the POP list
   Projection of additional revenues to the WCC.

STAFF RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
Archstone Foundation Grant

TO: Health Development Board

MEETING DATE: Friday, October 7, 2011

FROM: Brenda Fischer, RN, PhD, MBA, CPHQ
Director Center for Nursing Excellence

Background: Health Development received funding from the Archstone Foundation for a 2-year grant to provide funding to assist in improving the quality of spiritual care provided by the transdisciplinary team to the critically ill patients in the Medical Surgical Intensive Care Units (MSICUs) at Palomar Medical Center (PMC). An update on the status of that program will be presented at the meeting (Addendum G).

Budget Impact: Total Funding for the 2 year project is $200,000

STAFF RECOMMENDATION:
Motion:

Individual Action:

Information: X

Required Time:
Transitions Into Practice I

TO: Health Development Board

MEETING DATE: Friday, October 7, 2011

FROM: Brenda Fischer, RN, PhD, MBA, CPHQ
      Director Center for Nursing Excellence

Background: Health Development was awarded a 1-year grant from San Diego Workforce Partnership to provide a transition from education to practice through a residency program for Bachelor of Science in Nursing (BSN) students in their last year prior to graduation. This program was a collaborative partnership between an educational institution, California State University San Marcos (CSUSM) School of Nursing (SON), and Palomar Pomerado Health (PPH). This grant program commenced on August 1, 2010, and the grant expired on July 31, 2011. An update on program results will be presented at the meeting (Addendum G).

Budget Impact: Total Funding for the 1 year project was $268,200

STAFF RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
Transitions Into Practice II

TO: Health Development Board
MEETING DATE: Friday, October 7, 2011
FROM: Brenda Fischer, RN, PhD, MBA, CPHQ
       Director Center for Nursing Excellence

Background: Health Development was awarded a second grant from the San Diego Workforce Partnership to provide a transition from education to practice through a residency program for Bachelor of Science in Nursing (BSN) students in their last semester prior to graduation. This program is a collaborative partnership between an educational institution, California State University San Marcos (CSUSM) School of Nursing (SON) and Palomar Pomerado Health’s (PPH) Center for Nursing Excellence. An update on the status of the program will be presented at the meeting (Addendum G).

Budget Impact: Total Funding for the project is $75,000

STAFF RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
LS-1 Study Evaluation Termination

TO: Health Development Board

MEETING DATE: Friday, October 7, 2011

FROM: Brenda Fischer, RN, PhD, MBA, CPHQ
      Director Center for Nursing Excellence

Background:  LS-1 Study Evaluation (Suitcase ICU)
     Termination of Memorandum of Understanding

The clinical evaluation team determined to withdraw from the study, and the Principal Investigators notified the PPH Investigational Review Committee of that determination.

Budget Impact: Donor funds invoiced for project $11,213.80
                IMS funds paid to project $11,213.80

STAFF RECOMMENDATION:

Motion: 

Individual Action: 

Information: X

Required Time:
Interlink Pathways Update

TO: Health Development Board
MEETING DATE: Friday, October 7, 2011
FROM: Brenda Turner, Chief Human Resource Officer

Background: Interlink Pathways has recently experienced some changes in personnel and grant focus. Larry Ward has left the organization, and Leslie Solomon is managing the Interlink Pathways function. Additionally, in August, the West Foundation awarded a sizeable grant to Health Development for Interlink Pathways activities. The long-term goal of the grant is: “To prepare students to enter careers and or education in healthcare.”

Our presentation (Addendum H) will update the Board on the West Foundation grant’s objectives and associated metrics. We will provide an update of the current activities focused on grant compliance. We will also highlight the key strategic questions that are being addressed as staff continues to establish a long-term direction for development of future funding opportunities for other Interlink Pathways activities.

Budget Impact: $260,000 has been awarded to Health Development for a 21-month period, from August 1, 2011 to April 30, 2013.

STAFF RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
### AGENDA ITEM

#### CALL TO ORDER

- Chairperson Linda Greer called the meeting to order at 12:03 p.m.
- Quorum comprised of Directors Covert, Greer, Hemker and Krider. Director Rivera was excused.
- Notice of Meeting and Full Agenda Packet were posted at PPH facilities and on the Health Development (HD) home page of the PPH web site on Friday, April 1, 2011, which is consistent with legal requirements. Notice of that posting was also made via email.

#### PUBLIC COMMENTS

- There were no public comments

#### MINUTES* – Annual Organizational Meeting, January 14, 2011

- No discussion

#### OLD BUSINESS*

- None

#### NEW BUSINESS*


- Director Hemker introduced the team from the audit firm, AKT, Inc., Ron Mitchell, Audit Principal, and Kayla Walneuski, Associate, who provided some background on the firm
  - One of the Top 100 in the United States, with 5 offices on the West Coast, and 175 people in San Diego County
  - Mr. Mitchell is the Audit Partner and heads the healthcare niche of firm
- Copies of the financial statements for Health Development, the Program Specific Audit Report for the Welcome Home Baby (WHB) Program and the Auditors Report to the Board were distributed (Attachments 1 to 3, respectively)
  - There were two audits completed
    - One for the Welcome Home Baby (WHB) Program

### ADDEDENDUM A

- The Board requested that future audit reports and auditors’ letters be distributed prior to the meetings at which they would be reviewed, and Management stated they would do so
<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>CONCLUSIONS/ACTION</th>
<th>FOLLOW-UP/RESP. PARTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>DISCUSSION</td>
<td></td>
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<tr>
<td>− One for Health Development (HD)</td>
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<tr>
<td>− The Auditors Report speaks to both audits</td>
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<tr>
<td>o Executive Summary summarizes the results of the audit</td>
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<tr>
<td>− The firm rendered an unqualified opinion, which means that the records are okay and follow generally acceptable accounting standards</td>
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<td>− Identified no material weaknesses</td>
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<tr>
<td>1) There were two significant deficiencies uncovered</td>
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<td>2) Also identified one area for improvement</td>
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<tr>
<td>o The Communication Letter on Page 2 describes both deficiencies uncovered during the audit</td>
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<td>− The firm assisted Management in the drafting of the financial statements</td>
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<tr>
<td>1) If it isn’t given to them, the way they interpret the accounting rules causes it to be considered a deficiency</td>
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<tr>
<td>a) It is normal that they help client prepare statement</td>
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<td>b) They would need to have been given everything past the memo on page 1 for the help to not be considered a deficiency</td>
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<td>c) It is also not uncommon for them to help the client write footnotes</td>
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<td>2) Auditor is comfortable with the financial oversight, recognizes the deficiency, and wouldn’t conclude that the organization can’t manage its own financials</td>
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<td>3) The Board would need to consider whether it would be cost-effective for HD to remove that deficiency by providing additional staff, but the auditor did not consider the deficiency either an unusual occurrence nor one that created a financial business risk</td>
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<tr>
<td>− Temporarily Restricted Contributions</td>
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<tr>
<td>1) There was one grant that was really a contribution</td>
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<td>2) The literature explaining the difference between grant revenue and temporarily restricted contributions was inserted</td>
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<td>3) Can still be considered a contribution, even if called a grant</td>
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<td>4) Corrected via Reclassifying Journal Entry #2 and Adjusting Journal Entry #3</td>
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<tr>
<td>o There was also one opportunity to strengthen financial reporting regarding Audit Fee Accruals</td>
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<tr>
<td>− Not deemed significant</td>
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<tr>
<td>− Proposed reversal of accrual via Journal Entry #1</td>
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<tr>
<td>− Management did not make the proposed change as we book the fees in the year of occurrence</td>
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<tr>
<td>o Letter to Management following a review of all significant transactions indicated that HD is following generally accepted rules of accounting</td>
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<tr>
<td>− There were no difficulties in performing the audit</td>
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<td>− There were no disagreements or other findings/issues</td>
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HEALTH DEVELOPMENT BOARD OF DIRECTORS – MEETING MINUTES FRIDAY, APRIL 8, 2011

(I.A) AGENDA ITEM

- DISCUSSION

<table>
<thead>
<tr>
<th>CONCLUSIONS/ACTION</th>
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<tbody>
<tr>
<td>o Health Development’s Management Letters state that the information was provided as requested</td>
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<tr>
<td>• Independent Auditors’ Report provides an unqualified opinion</td>
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<tr>
<td>o Shows the HD balance sheet at 6/30/10 on Page 2</td>
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<tr>
<td>o The Statement of Activities on Page 3 are well within the percentage of total costs</td>
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<tr>
<td>o The financial statements are based on an accrual basis, with cash flows presented on Page 4</td>
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<tr>
<td>o Note 1 on Page 5 discloses the accounting rules that HD follows</td>
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<tr>
<td>– Nothing different from similar nonprofits</td>
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<tr>
<td>o Note 4 on Page 6 regarding cash</td>
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<tr>
<td>– It is acceptable to utilize only one financial institution for cash, as long as you are monitoring the bank with which you do business</td>
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<tr>
<td>o Note 5 on Page 7 – Related party merely lists all the things PPH does for HD</td>
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<td>o Note 6 on Page 7 – Reclassifications from previous statements is a normal procedure</td>
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- B. Resolution No. 04.08.11(06)-2 Authorizing Acceptance of the Program Specific Independent Audit of the Annual Financial Report of Welcome Home Baby for Fiscal year End 2010

| MOTION: By Director Covert, seconded by Director Hemker and carried to approve Resolution No. 04.08.11(06)-2 as presented. All in favor. None opposed. Director Rivera was absent. |
|---|---|
| • Mr. Mitchell stated that his firm looked at the WHB program based on auditing procedures they are required to follow |
| o Found no deficiencies |
| o Run on a cash, rather than an accrual basis |
| o Spent a lot of time looking at expenditures going out and ensuring they are appropriate |
| o Pretty straightforward, “Are you following the rules?” type of audit |
| o Line item for “Volunteers incentives” |
| – Those are the people who put the packet together |
| – There is an actual line item in the new Healthy Development Services (HDS) contract simply for incentives |
| – The list contains detailed expenditures by category, which must match up to what was requested when reporting out |
| o Auditor is also required to give an opinion on reporting and compliance with governmental auditing standards, which is found on the last page |
| – Found no instances of noncompliance |
| – Did not identify any deficiencies considered to be material weaknesses |
| o Audit went well from their standpoint |
| • The First 5 Commission will be provided with copies both of the Program Specific Audit Statement and the Report to the Board |
| o In addition to an outside auditing firm, the First 5 Commission occasionally visits and does their own |
HEALTH DEVELOPMENT BOARD OF DIRECTORS – MEETING MINUTES FRIDAY, APRIL 8, 2011

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<td></td>
<td>DISCUSSION</td>
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<td>audit</td>
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**C. Resolution No. 04.08.11(07)-3 Approving the Extension of and Amendment to the Line of Credit with Palomar Pomerado Health**

- Director Hemker reminded the Board that the restructuring of the debt had been approved at the previous meeting, for presentation to the District Board
  - The District Board has now authorized that request, and this Board needs to formally accept the debt restructuring as the debtor

  **MOTION:** By Director Hemker, seconded by Director Greer and carried to approve Resolution No. 04.08.11(07)-3 as presented. All in favor. None opposed. Director Rivera was absent.

**D. Resolution No. 04.08.11(08)-4 Confirming Appointment of the Officers of the Corporation for Calendar Year 2011**

- Director Hemker stated that he was appointed Acting Executive Director of HD in June 2009, following the organizational changes effected at the end of that fiscal year
  - Has been conducting business and signing contracts under that authority
  - Executive Director was the administrative title previously granted to Brad Wiscons
  - We have a grantor requesting proof that there was a Board resolution granting Mr. Hemker the authority to sign documents on behalf of HD
  - The Bylaws offer the potential to appoint officers of the corporation
    - Positions are President, Chief Financial Officer and Secretary
    - Bylaws allow both the President and the CFO to sign on documents
    - Mr. Hemker recommended appointing working officers of the corporation and proposed the following slate of officers
      1) Michael Covert at President
      2) Himself as Chief Financial Officer
      3) Tanya Howell as Secretary, the duties of which she has effectively been performing

  **MOTION:** By Director Hemker, seconded by Director Greer and carried to approve Resolution No. 04.08.11(08)-4 appointing Michael Covert President of the Corporation; Bob Hemker Chief Financial Officer of the Corporation; and Tanya Howell Secretary of the Corporation. All in favor. None opposed. Director Rivera was absent.

**E. YTD Financial Report**

- Utilizing the attached updated presentation (*Attachment 4*), Kristine Roberts presented the YTD financials for HD and the Research Institute (RI) as of February 2011

  **HD**
  - Negative variance of almost $6K in revenues
    - HDS/WHB was responsible for $109K of the $127K in revenue
  - Positive variance of $11K on expenses
  - Resulted in a $5K positive variance in net income

  **RI**
  - Positive variance of $9.6K in revenues
  - Positive variance of $9.8K in expenses
    - Variance due in part to a reduction in interest expense
  - Resultant positive variance of $19.4K in net income

  **MOTION:** By Director Hemker, seconded by Director Greer and carried to approve the YTD Financial Reports for Health Development and the Research Institute. All in favor. None opposed. Director Rivera was absent.
AGENDA ITEM

• DISCUSSION

<table>
<thead>
<tr>
<th>CONCLUSIONS/ACTION</th>
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<tbody>
<tr>
<td>HD Budget for FY2012</td>
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<tr>
<td>o Anticipate grant revenues from the United Way, Green Oaks Ranch, HDS/WHB</td>
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<tr>
<td>o Other revenues are for interest income</td>
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<tr>
<td>o Consulting fees are for grant writers</td>
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<tr>
<td>o Net from operations is anticipated to be $144K</td>
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<tr>
<td>RI budget for FY2012</td>
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<tr>
<td>o Net from operations is anticipated to be $19,770</td>
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VI. PRESENTATIONS

A. Update on Current Grants and Contracts Inventory

• Utilizing the attached presentation (Attachment 5), Kristine Roberts presented an update on current grants, with only additional comments noted below

• Listed all current and pending grants, as well as research studies being undertaken through the RI

  o Cardinal Health grant ended in March 2009 with a balance of $6K
    – Have informed them we are going to use the funds other things
  o Go-Med grant ended April 30th
    – The District is covering the navigators’ salaries until the end of this fiscal year
    – Those expenses are not budgeted from within HD for FY2012
  o Susan G. Komen grant ended March 31st
    – Changed from contracting with several entities to having a main administrator and chose Council for Community Clinics
      1) HD already has a contract pending with them
    – Also still have Vaughn Parker Foundation funding that works in conjunction with the Komen program for breast cancer screenings
  o MAA
    – Discontinued for FY2010, but there is the possibility the County will be allowing re-use of 2009 time surveys for FY2010 MAA
    1) If we submitted, funds would be found money in the budget
    – Just submitted the first quarter for FY2009, and were up at $96K
      1) More money than in the past
  o United Way expires at the end of December
    – Probably won’t use all the monies by then, so may be requesting an extension

• Terry Green stated that the Foundation also has a request in to the Weingart Foundation
### B. Grant Proposal Updates

#### CALTRANS/SANDAG

**Transportation Grant for the Wound Care Clinics**
- Ann Moore, Director of Wound Care, stated that we have made the first cut so are still in the running
- Anticipates the process will take about a year

#### FIRST 5 SAN DIEGO

**Welcome Home Baby (WHB)**
- Annamarie Martinez, Director of Maternal, Infant & Early Childhood Programs, reviewed the information included in the agenda packet on Page 12
  - **At Risk Home Visiting Program**
    - Combined RFPs in 4 previous regions into 2
      1) North Inland/North Coastal are now one region
      2) Now only have to write one proposal
    - Convened a group of providers, and all agencies were in agreement to support PPH as the lead agency
    - Worth about $32M over 5 years
  - **Smoking Cessation program**
    - RFP will now probably be out mid-June
    - Funding a partnership for an educational, smoke-free families program
    - Will now be a direct service program
    - Target population is prenatal and women with children up to a year of age
      1) Ties into the WHB program
    - Convening a meeting with the American Lung Association’s Substance Abuse team to discuss the possibility of having PPH as lead for the county
  - **First 5 Threat**
    - The one-time sweep will take about $1B in total funds
      1) Impact to San Diego First 5 will be about $88.3M
    - There are lawsuits anticipated due to concerns over setting the precedent of taking funds for which the voters had specified use
    - The Board of Supervisors will make an announcement on May 9th regarding where the funds will be swept
    - Annamarie believes that the RFPs will still be going out
    - It is a loss of half the monies, but the funds will continue to come in
### AGENDA ITEM

- **DISCUSSION**
  - Final word on the threat will probably be known within 90 days
  - Will know for certain on May 9th regarding funding for PPH

### C. Grant Activity Updates

- **First 5 San Diego Healthy Development Services (HDS)**
  - Utilizing the presentation included in the agenda packet, Cindy Linder, North Inland Regional Coordinator for WHB, provided an update
    - Due to fuel costs, they exhaust other transportation opportunities and use the van as a last resort
    - Providing L.E.A.P. parenting classes at the Children's Discovery Museum
      - Spanish-speaking classes
      - Museum’s grant funds one-year family memberships to those who complete the course
      - Will be offering classes for English-speaking parents next year
      - Museum also created interactive exhibits that reinforce for children what the parents are learning

- **Archstone Foundation Grant for Spiritual Care in Palliative Care**
  - Utilizing the presentation included in the agenda packet, Catherine Konyln, RN, NP, CNS, PMC CCU, Brenda Fischer, Director, Center for Nursing Excellence, provided an update
    - Archstone granted funding for a program to provide end of life and eldercare, focusing on spiritual and palliative care
      - The 2-year grant pays for 16 hours/week for a Nurse Practitioner, Medical Social Worker and a Board Certified Chaplain
      - Grant is focused on the Medical Surgical Intensive Care Units at Palomar Medical Center
    - Palliative care is a specialty within medicine – looking at the physical, psychological and social aspects of the patients and their families
      - Proper for anyone with advanced/serious illness
        - 1) Does not force patient to forego curative or restorative care
        - 2) Looks both for distresses and strengths
      - 8 domains of care, this program demonstrates the spiritual part of the care
      - Do transdisciplinary rounds for palliative care on Tuesdays
      - Care is generally covered by insurance
      - Strong thing in initiating is for the nurses within the ICU to be involved as spiritual generalists with the chaplain as specialist
    - When Archstone was here they were overwhelmed by our program plans and organizational support
    - 12 months from now, what will they be expecting to see
      - They are going to be expecting to see a well-developed spiritual component of palliative care

---

**Information only**

- Dr. Fischer will be invited to the April 2012 meeting to provide an update on Palliative Care
### DISCUSSION

- Moving one step beyond, with nurses able to screen quickly and effectively
- They are also going to want to see us having done some work within the environment, so that anyone who walks into the facility would have a sense of being aware of spirituality
  - Shirley Otis Green from City of Hope helps monitor the 9 hospitals who were granted funds for this type of program (including UCLA, USC and City of Hope)
  - Out of those 9 PPH is leading the way
- How does the referral come about?
  - Patients are identified after transdisciplinary rounds in unit
    1. On that trajectory of illness where outcome looks like they are appropriate
    2. Doctor to doctor consult, with the doctor making a request for the palliative component
- We've had a palliative care component since 1997
- Director Covert stated the structure needs to be much better defined and organized than what he believes we do today
  - Where does the spiritual piece fall?
  - How do you define the spiritual piece if you don’t have the palliative formally defined?
  - How do we know that what we’re trying to do is effective?
  - Ultimately need to reduce costs associated with this, and to really be effective, it needs to be larger than just this team
    1. Physicians need to be in agreement with this
  - He looks forward to seeing results
- Dr. Fischer stated that she should have outcome measures within a year and was invited to review the program at next April’s meeting

### TRANSITIONS INTO PRACTICE

- Utilizing the presentation included in the agenda packet, Marilyn Dolatshahi, Nurse Educator/Special Orientation Coordinator, and Brenda Fischer provided an update
  - Looked at all research on new grad programs and concluded there is a false feeling that the nursing shortage is over
  - Cost of orientation is over $80K
  - Proud of low turnover rate (*Pg 133*)
  - QSEN has to be incorporated into programs (*Pg 135*)
  - Senior Year Residency (*Pg 138*)
    - Spend their first semester on med/surg as though they were a first year graduated nurse
  - Program has applications to the PPH workforce
    - Sent 62 over for PPH to interview
**HEALTH DEVELOPMENT BOARD OF DIRECTORS – MEETING MINUTES FRIDAY, APRIL 8, 2011**

<table>
<thead>
<tr>
<th>(I.A) AGENDA ITEM</th>
<th>CONCLUSIONS/ACTION</th>
<th>FOLLOW-UP/RESP. PARTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>• DISCUSSION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) 30 were chosen from those</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) 9 of those 30 were former CCEs at PPH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Will be trained as champions for Clarity go-live</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Once they pass their boards, they will be accepted into the specialty areas at which they trained</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o No one else has done this with pre-grads, especially in Perioperative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o Workforce partnership is applying for a national grant and we are their named partner</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**VII. INFORMATION ITEMS**

A. None

**VIII. BOARD MEMBER COMMENTS/FUTURE AGENDA ITEMS**

• None

**IX. FINAL ADJOURNMENT**

The meeting was adjourned by Chairperson Greer at 1:56 p.m.

**SIGNATURES:**

<table>
<thead>
<tr>
<th>HD Board Secretary</th>
<th>Marcelo R. Rivera, M.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HD Board Assistant</td>
<td>Tanya Howell</td>
</tr>
</tbody>
</table>

Next Meeting: Regular Quarterly Meeting – Friday, July 8, 2011 – 12:00-2:00 p.m. – Grand Conference Room
ATTACHMENT 1

PALOMAR POMERADO NORTH COUNTY HEALTH DEVELOPMENT, INC.

Financial Statements

Year Ended June 30, 2010
Table of Contents

Independent Auditors' Report ........................................... 1

Financial Statements:
  Statement of Financial Position .................................. 2
  Statement of Activities .............................................. 3
  Statement of Cash Flows ............................................. 4
  Notes to Financial Statements ..................................... 5
INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Palomar Pomerado North County Health Development, Inc.
Escondido, California

We have audited the accompanying statement of financial position of Palomar Pomerado North County Health Development, Inc. (a nonprofit organization) as of June 30, 2010, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Palomar Pomerado North County Health Development, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Palomar Pomerado North County Health Development, Inc. as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Carlsbad, California
April 1, 2011
PAOLMAR POMERADO NORTH COUNTY HEALTH DEVELOPMENT, INC.
Statement of Financial Position
June 30, 2010

ASSETS

Current Assets:
- Cash and cash equivalents $654,843
- Grants receivable 551,244
- Prepaid expenses 2,331

Total Current Assets 1,208,418

Property and Equipment, net 2,274

Total Assets $1,210,692

LIABILITIES AND NET DEFICIT

Current Liabilities:
- Accounts payable $519,602
- Accrued expenses 21,000
- Deferred revenue 128,007
- Line of Credit - Palomar Pomerado Health 3,415,110

Total Current Liabilities 4,083,719

Net Assets (Deficit)
- Unrestricted (2,911,967)
- Temporarily restricted 38,940

Total Net Deficit (2,873,027)

Total Liabilities and Net Deficit $1,210,692

See accompanying notes to financial statements.
## Statement of Activities
Year Ended June 30, 2010

<table>
<thead>
<tr>
<th>Revenue and Support:</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract revenue</td>
<td>$3,272,309</td>
<td>-</td>
<td>3,272,309</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>66,645</td>
<td>66,645</td>
</tr>
<tr>
<td>Other income</td>
<td>329</td>
<td>-</td>
<td>329</td>
</tr>
<tr>
<td>Net assets released from restrictions, satisfaction of program restrictions</td>
<td>27,705</td>
<td>(27,705)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue and Support</strong></td>
<td>3,300,343</td>
<td>38,940</td>
<td>3,339,283</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program services</td>
<td>2,820,830</td>
</tr>
<tr>
<td>General and administrative</td>
<td>359,058</td>
</tr>
</tbody>
</table>

| **Total Expenses** | 3,189,888 | - | 3,189,888 |

| Decrease in Net Deficit | 110,455 | 38,940 | 149,395 |

| Net Deficit, beginning | (3,022,422) | - | (3,022,422) |

| Net Assets (Deficit), ending | $ (2,911,967) | 38,940 | (2,873,027) |

See accompanying notes to financial statements.
PALOMAR POMERADO NORTH COUNTY HEALTH DEVELOPMENT, INC.
Statement of Cash Flows
Year Ended June 30, 2010

Cash Flows from Operating Activities:
Decrease in net deficit $ 149,395

Adjustments to reconcile decrease in net deficit to net cash provided by operating activities:
Depreciation 3,015

Changes in operating assets and liabilities:
Grants receivable 273,190
Prepaid expenses 1,695
Accounts payable (230,334)
Accrued expenses (15,346)
Deferred revenue (172,684)

Net Cash Provided by Operating Activities 8,931

Cash Flows from Financing Activities:
Net increase in line of credit - Palomar Pomerado Health 15,136

Net Increase in Cash and Cash Equivalents 24,067

Cash and cash equivalents, beginning 630,776

Cash and cash equivalents, ending $ 654,843

See accompanying notes to financial statements.
Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Activities
Palomar Pomerado North County Health Development, Inc. (Organization) is a California charitable nonprofit public benefit corporation organized in January 2005 to support Palomar Pomerado Health (PPH), a California local health care district, by acquiring grant funding.

Basis of Accounting
The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Basis of Presentation
The Organization reports information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- Unrestricted net assets represent expendable funds available for operations, which are not otherwise limited by donor restrictions.
- Temporarily restricted net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

The Organization had no permanently restricted net assets during the year ended June 30, 2010.

Cash and Cash Equivalents
The Organization considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents.

Receivables
The grants and accounts receivable arise in the normal course of business. It is the policy of management to review the outstanding receivables at year end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. Management believes all receivables are fully collectible. Therefore, no allowance for doubtful accounts is considered necessary.

Property and Equipment
Property and equipment purchases greater than $1,000 are capitalized and recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets of three to five years. Equipment acquired using grant funds is considered to be owned by the Organization while used in the program for which it was purchased.

Revenue Recognition
Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.
Note 1 - Organization and Summary of Significant Accounting Policies, continued

Revenue Recognition, continued
Revenue from grants/contracts is recognized to the extent of eligible costs incurred up to an amount not to exceed the total grant/contract authorized. Deferred revenue results from grant awards received that are applicable to the subsequent period.

Contributed Materials and Services
Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to operations as appropriate.

The Organization receives services donated by volunteers in carrying out its program services. No amounts have been recorded for those services, as they do not meet the requirements for recognition as contributions in the financial statements.

Income Taxes
The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Organization may be subject to tax on income which is not related to its exempt purpose. For the year ended June 30, 2010, no such unrelated business taxable income was reported and, therefore, no provision for income taxes has been made. The Organization is not a private foundation.

Subsequent Events
The Organization has evaluated subsequent events through April 1, 2011, which is the date the financial statements were available to be issued.

Note 2 - Functional Allocation of Expenses
The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 3 - Property and Equipment
Property and equipment consist of the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$13,931</td>
</tr>
<tr>
<td>Software</td>
<td>$15,009</td>
</tr>
<tr>
<td></td>
<td>$28,940</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>$(26,666)</td>
</tr>
<tr>
<td></td>
<td>$2,274</td>
</tr>
</tbody>
</table>

Note 4 - Concentrations of Credit Risk
Cash
The Organization maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation (FDIC). Section 136 of the Emergency Economic Stabilization Act of 2008 temporarily increased FDIC deposit insurance limits from $100,000 to $250,000 until December 31, 2013. At June 30, 2010, the Organization's total uninsured cash balance was $832,281.
Note 4 - Concentrations of Credit Risk, continued

Contract Revenue
The Welcome Home Baby Program (Program), funded by the First 5 Commission of San Diego (Commission), provided 75% of the Organization's contract revenue at June 30, 2010. The Program ended on June 30, 2010.

On May 30, 2010, the Organization and the Commission entered into a new agreement to provide health development services for children birth through 5 years. Under the terms of the agreement, the Organization will provide services to promote children's optimal development and learning by improving access to developmental and behavioral screenings and treatment and identifying and addressing problems that can affect children's learning as early as possible. The agreement is for a one-year term with the Commission's option to extend in four increments of one year. The initial term begins on July 1, 2010 and ends on June 30, 2011. The budget for the first year is approximately $1.7 million.

Economic Dependency
The Organization is economically dependent on PPH.

Note 5 - Related Party

Purchases
The Organization reimburses PPH for all payroll services provided as well as other expenses. At June 30, 2010, the amount due to PPH included in accounts payable was $388,494.

Line of Credit
The Organization has a line of credit from PPH. The line of credit bears interest at 2.5% above LIBOR (3.42% at June 30, 2010) and is adjusted quarterly. Interest expense was $127,384 for the year ended June 30, 2010. The line of credit had an original expiration date of January 24, 2011.

In February 2011, PPH's Board of Directors approved a request from the Organization to restructure and extend the line of credit for another five-year term. Under the new terms, the line of credit is interest-free, principal payments of $10,000 are due monthly, and a balloon payment is due at the end of the five-year term.

The line of credit is secured by substantially all the Organization's assets.

Note 6 - Reclassifications

The beginning net assets in the statement of activities have been reclassified to conform to current year classifications. Such reclassifications had no effect on previously reported changes in net assets.
ATTACHMENT 2

PALOMAR POMERADO NORTH COUNTY
HEALTH DEVELOPMENT, INC.
WELCOME HOME BABY PROGRAM

Program Specific Audit Statement

Twelve Months Ended June 30, 2010
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<th>Section</th>
<th>Page</th>
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</thead>
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<td>1</td>
</tr>
<tr>
<td>Program Specific Audit Statement:</td>
<td>2</td>
</tr>
<tr>
<td>Statement of Cash Receipts and Disbursements</td>
<td></td>
</tr>
<tr>
<td>Notes to Financial Statement</td>
<td>3</td>
</tr>
<tr>
<td>Report on Internal Control over Financial Reporting and on Compliance</td>
<td>4</td>
</tr>
<tr>
<td>and Other Matters Based on an Audit of Financial Statements Performed</td>
<td></td>
</tr>
<tr>
<td>in Accordance with Government Auditing Standards</td>
<td></td>
</tr>
</tbody>
</table>
INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Palomar Pomerado North County Health Development, Inc.
Welcome Home Baby Program
Escondido, California

We have audited the accompanying statement of cash receipts and disbursements of the Welcome Home Baby Program (Program), administered by Palomar Pomerado North County Health Development, Inc. (a nonprofit organization), funded by the First 5 Commission of San Diego, for the twelve months ended June 30, 2010. This statement is the responsibility of the Program’s management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this statement was prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the statement of cash receipts and disbursements referred to above presents fairly, in all material respects, the activities of the Welcome Home Baby Program, administered by Palomar Pomerado North County Health Development, Inc., for the twelve months ended June 30, 2010.

In accordance with Government Auditing Standards, we have also issued our report dated April 1, 2011, on our consideration of the Program’s internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

AKT LLP

Carlsbad, California
April 1, 2011
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Cash Deficit</td>
<td>$(1,608)</td>
</tr>
<tr>
<td>Additions:</td>
<td></td>
</tr>
<tr>
<td>Program payments</td>
<td>$2,679,381</td>
</tr>
<tr>
<td>Deductions:</td>
<td></td>
</tr>
<tr>
<td>Personnel:</td>
<td></td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>$1,404,596</td>
</tr>
<tr>
<td>Services and Supplies:</td>
<td></td>
</tr>
<tr>
<td>Purchased services</td>
<td>$1,022,005</td>
</tr>
<tr>
<td>Supplies</td>
<td>$36,814</td>
</tr>
<tr>
<td>Mileage and travel</td>
<td>$28,472</td>
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<tr>
<td>Outside training</td>
<td>$14,888</td>
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<tr>
<td>Rent, building and utilities</td>
<td>$8,908</td>
</tr>
<tr>
<td>Volunteer incentives</td>
<td>$7,697</td>
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<tr>
<td>Forms</td>
<td>$7,482</td>
</tr>
<tr>
<td>Phone and answering service</td>
<td>$4,598</td>
</tr>
<tr>
<td>Provider engagement</td>
<td>$4,343</td>
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<tr>
<td>Conferences, conventions, and meetings</td>
<td>$3,582</td>
</tr>
<tr>
<td>Service facilitation funds</td>
<td>$3,500</td>
</tr>
<tr>
<td>Equipment rental</td>
<td>$1,669</td>
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<tr>
<td>Advertising and marketing</td>
<td>$125</td>
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<tr>
<td>Administrative Overhead</td>
<td>$129,094</td>
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<tr>
<td>Total Deductions</td>
<td>$2,677,773</td>
</tr>
<tr>
<td>Excess of Additions over Deductions</td>
<td>$1,608</td>
</tr>
<tr>
<td>Ending Cash Deficit</td>
<td>$0</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statement.
Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Activities
The Welcome Home Baby Program (Program), administered by Palomar Pomerado North County Health Development, Inc. (PPNCHD), is a North San Diego County home visiting program that serves first time moms and their infants from newborns to one year of age to help prevent infant mortality, child abuse, and neglect. The Program augments primary pediatric care services through a partnership of hospitals, registered nurses, social workers, health educators, and other community-based resources. The term of the Program is July 1, 2009 to June 30, 2010.

Funding of the Program comes from Proposition 10 revenues, which are managed by the First 5 Commission of San Diego (Commission).

The accompanying statement only represents information about receipts and disbursements involving PPNCHD’s contract with the Commission for the Program. This statement does not include any other information about PPNCHD, whose financial statements are audited and reported on separately.

Basis of Accounting
The accompanying statement of cash receipts and disbursements has been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions relating to PPNCHD’s participation in the Program are recognized as either cash receipts or disbursements. Non-cash transactions are not recognized in this statement.

Subsequent Events
PPNCHD has evaluated subsequent events through April 1, 2011, which is the date the statement of cash receipts and disbursements was available to be issued.

Note 2 - Related Party
The Program reimburses Palomar Pomerado Health (PPH) for all payroll services provided as well as other miscellaneous expenses. PPNCHD’s board of directors is composed entirely of board members and management of PPH. Additionally, PPH’s board of directors selects all of PPNCHD’s board members.
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Palomar Pomerado North County Health Development, Inc.
Welcome Home Baby Program
Escondido, California

We have audited the statement of cash receipts and disbursements of the Welcome Home Baby Program (Program), administered by Palomar Pomerado North County Health Development, Inc. (a nonprofit organization), funded by the First 5 Commission of San Diego, for the twelve months ended June 30, 2010 and have issued our report thereon dated April 1, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Program's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the statement of cash receipts and disbursements, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Program's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the statement of cash receipts and disbursements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Program's statement of cash receipts and disbursements is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the statement of cash receipts and disbursements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Directors, management, others within the Program, and the First 5 Commission of San Diego and is not intended to be and should not be used by anyone other than these specified parties.

AKT LLP

Carlsbad, California
April 1, 2011
ATTACHMENT 3

Palomar Pomerado
North County Health Development, Inc.

Report to the Board of Directors

Year Ended June 30, 2010
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WHBP Statement on Auditing Standards No. 115 Communication Letter ................................................. 4
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WHBP Statement on Auditing Standards No. 114 Communication Letter ................................................. 7
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Reclassifying Journal Entry Report............................................................................................................... 10
Proposed Journal Entries Report................................................................................................................ 11
Management Representation Letter ........................................................................................................... 12
Executive Summary

This section summarizes the most significant conclusions reached and issues addressed during our audits of Palomar Pomerado North County Health Development, Inc. and the Welcome Home Baby Program for the year ended June 30, 2010.

Palomar Pomerado North County Health Development, Inc.

- Our audit scope was in accordance with that communicated in our engagement letter dated December 10, 2010.
- We rendered an unqualified opinion on the June 30, 2010 financial statements.
- We identified no conditions which we consider to be material weaknesses in internal controls.
- We identified two conditions that we consider to be significant deficiencies.
- We identified one area where improvements can be made.
- Audit areas designated as greater than normal risk have been addressed and resolved to our satisfaction, in the context of the overall fairness of the presentation of the financial statements.
- We received the full cooperation of management and staff throughout the audit and were kept informed as to developments and plans affecting our audit scope.

Welcome Home Baby Program

- Our audit scope was in accordance with that communicated in our engagement letter dated December 10, 2010.
- We rendered an unqualified opinion on the statement of cash receipts and disbursements for the twelve months ended June 30, 2010.
- We identified no conditions which we consider to be material weaknesses.
- We received the full cooperation of management and staff throughout the audit and were kept informed as to developments and plans affecting our audit scope.

The reports provided include required communications and additional information for the benefit of the Board of Directors.
April 1, 2011

To the Board of Directors
Palomar Pomerado North County Health Development, Inc.
Escondido, California

In planning and performing our audit of the financial statements of Palomar Pomerado North County Health Development, Inc. (PPNCHD) as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered PPNCHD’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PPNCHD’s internal control. Accordingly, we do not express an opinion on the effectiveness of PPNCHD's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in PPNCHD's internal control to be significant deficiencies:

Financial Reporting
We assisted management with drafting the financial statements and supporting footnotes in conformity with accounting principles generally accepted in the United States. A system of internal control over financial reporting includes controls over financial statement preparation, including footnote disclosures. Because our expertise was needed to prepare the financial statements and footnotes, we concluded that a significant deficiency exists because an auditor cannot be considered part of PPNCHD's internal control.

Temporarily Restricted Contributions
We noted that monies received from the Parker Foundation (a private foundation) during 2009 and 2010, were recorded as grant revenue instead of temporarily restricted contributions (donor-imposed restrictions). The following table contains the list of indicators that may be helpful in determining whether individual asset transfers are contributions, exchange transactions, or a combination of both.
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Contribution</th>
<th>Exchange Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient not-for-profit organization's (NPO's) intent in soliciting the asset</td>
<td>Recipient NFP asserts that it is soliciting the asset as a contribution.</td>
<td>Recipient NFP asserts that it is seeking resources in exchange for specified benefits.</td>
</tr>
<tr>
<td>Resource provider’s expressed intent about the purpose of the asset to be provided by recipient NFP</td>
<td>Resource provider asserts that it is making a donation to support the NFP's programs.</td>
<td>Resource provider asserts that it is transferring resources in exchange for specified benefits.</td>
</tr>
<tr>
<td>Method of delivery</td>
<td>The time or place of delivery of the asset to be provided by the recipient NFP to third-party recipients is at the discretion of the NPO.</td>
<td>The method of delivery of the asset to be provided by the recipient NFP to third-party recipients is specified by the resource provider.</td>
</tr>
<tr>
<td>Method of determining amount of payment</td>
<td>The resource provider determines the amount of the payment.</td>
<td>Payment by the resource provider equals the value of the assets to be provided by the resource provider; the total payment is based on the quantity of assets to be provided.</td>
</tr>
<tr>
<td>Penalties assessed if NFP fails to make timely delivery of assets</td>
<td>Penalties are limited to the delivery of assets already produced and the return of the unspent amount. (The NFP is not penalized for nonperformance.)</td>
<td>Provisions for economic penalties exist beyond the amount of payment. (The NFP is penalized for nonperformance.)</td>
</tr>
<tr>
<td>Delivery of assets to be provided by the recipient NFP</td>
<td>Assets are to be delivered to individuals or organizations other than the resource provider.</td>
<td>Assets are to be delivered to the resource provider or to individuals or organizations closely connected to the resource provider.</td>
</tr>
</tbody>
</table>

Contributions with donor-imposed restrictions should be reported as restricted support, which increases permanently restricted or temporarily restricted net assets, depending on the nature of the restriction. The expiration of donor-imposed restrictions on contributions should be reported in the period or periods in which (a) a donor-stipulated time has elapsed or (b) a donor-stipulated purpose for which the contribution was restricted has been fulfilled. Expirations of donor-imposed restrictions should be reported in a statement of activities as reclassifications, decreasing temporarily restricted net assets and increasing unrestricted net assets.

An adjustment was made to current contributions to correctly reflect the balance of temporarily restricted net assets at June 30, 2010.

In addition, during the course of our audit, we became aware of a matter that is an opportunity for strengthening financial reporting and presentation. Our comment is summarized as follows:

Audit Accrual
The estimated fees for the financial statement audit were accrued when the services had not yet been rendered. We recommend that accruals for professional services be recorded after the services are provided.

This communication is intended solely for the information and use of the Board of Directors and management of Palomar Pomerado North County Health Development, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

AKT LLP

AKT LLP
April 1, 2011

To the Board of Directors
Palomar Pomerado North County Health Development, Inc.
Welcome Home Baby Program
Escondido, California

In planning and performing our audit of the statement of cash receipts and disbursements for the Welcome Home Baby Program (Program), administered by Palomar Pomerado North County Health Development, Inc. (a nonprofit organization), funded by the First 5 Commission of San Diego, for the twelve months ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the Program’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the statement of cash receipts and disbursements, but not for the purpose of expressing an opinion on the effectiveness of the Program’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Program’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This information is intended solely for the information and use of the Board of Directors, management, and the First 5 Commission of San Diego and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

AKT LLP

AKT LLP
April 1, 2011

To the Board of Directors
Palomar Pomerado North County Health Development, Inc.
Escondido, California

We have audited the financial statements of Palomar Pomerado North County Health Development, Inc. (PPNCHD) for the year ended June 30, 2010, and have issued our report thereon dated April 1, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards require that we communicate to you the following information related to our audit.

**Our Responsibility under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated December 10, 2010, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

**Planned Scope and Timing of the Audit**

An audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of PPNCHD and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of PPNCHD.

**Significant Audit Findings**

**Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by PPNCHD are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2010. We noted no transactions entered into by PPNCHD during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting the financial statements.
The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are Note 5 and Note 6 to the financial statements.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached Proposed Journal Entries Report summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. Attached are our Adjusting Journal Entries and Reclassifying Journal Entries for your reference.

Disagreements with Management
For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated April 1, 2011.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to PPNCHD’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as PPNCHD’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Palomar Pomerado North County Health Development, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

AKT LLP
AKT LLP
April 1, 2011

To the Board of Directors
Palomar Pomerado North County Health Development, Inc.
Welcome Home Baby Program
Escondido, California

We have audited the statement of cash receipts and disbursements for the Welcome Home Baby Program (Program), administered by Palomar Pomerado North County Health Development, Inc. (a nonprofit organization), funded by the First 5 Commission of San Diego, for the twelve months ended June 30, 2010, and have issued our report thereon dated April 1, 2011. Professional standards require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards
As stated in our engagement letter dated December 10, 2010, our responsibility, as described by professional standards, is to express an opinion about whether the statement of cash receipts and disbursements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the statement of cash receipts and disbursements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Program. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the statement of cash receipts and disbursements is free of material misstatement, we performed tests of the Program's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit
An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of cash receipts and disbursements; therefore, our audit involved judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the Program and its environment, including internal control, sufficient to assess the risks of material misstatement of the statement of cash receipts and disbursements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the Program.

Significant Audit Findings

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Program are described in Note 1 to the statement of cash receipts and
disbursements. No new accounting policies were adopted and the application of existing policies was not changed during the twelve months ended June 30, 2010. We noted no transactions entered into by the Program during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the statement of cash receipts and disbursements in the proper period.

The disclosures in the statement of cash receipts and disbursements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the statement of cash receipts and disbursements.

**Difficulties Encountered in Performing the Audit**
We encountered no significant difficulties in dealing with management in performing and completing our audit.

**Corrected and Uncorrected Misstatements**
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements.

**Disagreements with Management**
For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the statement of cash receipts and disbursements for the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**
We have requested certain representations from management that are included in the management representation letter dated April 1, 2011.

**Management Consultations with Other Independent Accountants**
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Program's statement of cash receipts and disbursements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Other Audit Findings or Issues**
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Program's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Welcome Home Baby Program, administered by Palomar Pomerado North County Health Development, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

AKT LLP

AKT LLP
<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>W/P Ref</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adjusting Journal Entries JE # 3</td>
<td>P-02</td>
<td>38,940.00</td>
<td>38,940.00</td>
</tr>
<tr>
<td></td>
<td>To adjust the Parker Foundation temporarily restricted balance.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2310</td>
<td>Deferred Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKT-4260</td>
<td>Contributions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>38,940.00</td>
<td>38,940.00</td>
</tr>
<tr>
<td>Account</td>
<td>Description</td>
<td>W/P Ref</td>
<td>Debit</td>
<td>Credit</td>
</tr>
<tr>
<td>------------------</td>
<td>--------------------------------------------</td>
<td>---------</td>
<td>-------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Reclassifying Journal Entries JE # 2</td>
<td>To reclassify Parker revenue to contributions</td>
<td>P-02</td>
<td>27,705.26</td>
<td>27,705.26</td>
</tr>
<tr>
<td>4210</td>
<td>Revenue - Grants/Contracts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AKT-4260</td>
<td>Contributions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>27,705.26</td>
<td>27,705.26</td>
</tr>
</tbody>
</table>
Client: 07570 - Palomar Pomerado North County Health Development  
Engagement: 6/30/10 PPNC Health Development  
Period Ending: 6/30/2010  
Trial Balance: A-01 - Trial Balance Database  

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>W/P Ref</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed JE # 1</td>
<td></td>
<td>M-01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To reverse the accrual for FY10 audit fees.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2110</td>
<td>Accrued Audit Expense</td>
<td></td>
<td>21,000.00</td>
<td></td>
</tr>
<tr>
<td>6520</td>
<td>Accounting Fees</td>
<td></td>
<td></td>
<td>21,000.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>21,000.00</td>
<td>21,000.00</td>
</tr>
</tbody>
</table>
We are providing this letter in connection with your audit of the statement of financial position of Palomar Pomerado North County Health Development, Inc. (PPNCHD) as of June 30, 2010, and the related statements of activities and cash flows for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, changes in net assets, and cash flows of PPNCHD in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal controls over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 1, 2011, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all assets and liabilities under PPNCHD's control.

2. We have made available to you all:
   a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources; and
   b. Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared from July 1, 2009 to April 1, 2011.

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

5. We believe the effects of the uncorrected financial misstatements summarized in the attached schedule of Proposed Journal Entries are immaterial, both individually and in the aggregate, to the financial statements taken as whole.

6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

7. We have no knowledge of any fraud or suspected fraud affecting PPNCHD involving—
   a. Management;
   b. Employees who have significant roles in internal control; or
   c. Others where the fraud could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting PPNCHD received in communications from employees, former employees, grantors, regulators, or others.

9. PPNCHD has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net asset balances.

10. The following, if any, have been properly recorded or disclosed in the financial statements:
   a. Related party transactions, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties;
   b. Guarantees, whether written or oral, under which PPNCHD is contingently liable; and
   c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.

11. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that near term means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make PPNCHD vulnerable to the risk of a near-term severe impact that have not been properly disclosed in the financial statements.

12. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

13. Palomar Pomerado North County Health Development, Inc., is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize PPNCHD's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up to date.

14. There are no known:
   a. Violations or possible violations of laws and regulations and provisions of contracts and grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency;
   b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Accounting Standards Codification 450, Contingencies (formerly Statement of Financial Accounting Standards No. 5, Accounting for Contingencies); or
   c. Designations of net assets disclosed to you that were not properly authorized and approved, or reclassifications of net assets that have not been properly reflected in the financial statements.

15. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with FASB Accounting Standards Codification 450, Contingencies (formerly Statement of Financial Accounting Standards No. 5), and we have not consulted a lawyer concerning litigation, claims, or assessments.

16. PPNCHD has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as made known to you and disclosed in the notes to the financial statements.
17. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.

18. As part of your audit, you prepared the draft financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

19. In regards to the Federal and State informational returns preparation services performed by you, we have:

a. Made all management decisions and performed all management functions;

b. Designated an individual with suitable skill, knowledge, or experience to oversee the services;

c. Evaluated the adequacy and results of the services performed; and

d. Accepted responsibility for the results of the services.

20. In February 2011, Palomar Pomerado Health's Board of Directors approved a request from PPNCHD to restructure and extend the line of credit for another five-year term. Under the new terms, the line of credit is interest-free, principal payments of $10,000 are due monthly, and a balloon payment is due at the end of the five-year term.

21. No events have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.

Signed: [Signature]
Name: Robert A. Hemker
Title: Acting Executive Director

Signed: [Signature]
Name: [Name]
Title: [Title]
April 1, 2011

AKT, LLP
5946 Priestly Drive
Suite 200
Carlsbad, CA 92008

We are providing this letter in connection with your audit of the statement of cash receipts and disbursements of the Welcome Home Baby Program (Program), administered by Palomar Pomerado North County Health Development, Inc., funded by the First 5 Commission of San Diego, for the twelve months ended June 30, 2010, for the purpose of expressing an opinion as to whether the statement presents fairly, in all material respects, the Program's activities in conformity with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the statement of cash receipts and disbursements in conformity with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of April 1, 2011, the following representations made to you during your audit.

1. The statement referred to above is fairly presented in conformity with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

2. We have made available to you all financial records and related data relative to the Program and all audit or relevant monitoring reports, if any, received from funding sources.

3. No minutes have been prepared for the Program.

4. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices relative to the Program.

5. There are no material transactions that have not been properly recorded in the accounting records underlying the statement of cash receipts and disbursements.

6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

7. We have no knowledge of any fraud or suspected fraud affecting the Program involving:
   a. Management;
   b. Employees who have significant roles in internal control; or
   c. Others where the fraud could have a material effect on the statement of cash receipts and disbursements.

8. We have no knowledge of any allegations of fraud or suspected fraud affecting the Program received in communications from employees, former employees, grantors, regulators, or others.
9. We have identified to you any financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

10. The following, if any, have been properly recorded or disclosed in the statement of cash receipts and disbursements:
   a. Related party transactions; and
   b. Guarantees, whether written or oral, under which the Program is contingently liable.

11. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of the statement of cash receipts and disbursements amounts or other financial data significant to the audit objectives.

12. There are no known:
   a. Violations or possible violations of laws and regulations and provisions of contracts and grant agreements whose effects should be considered for disclosure in the statement of cash receipts and disbursements, or as a basis for recording a loss contingency, or for reporting on noncompliance; or
   b. Other gain or loss contingencies that are required to be accrued or disclosed by FASB Accounting Standards Codification 450, Contingencies (formerly Statement of Financial Accounting Standards No. 5, Accounting for Contingencies).

13. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the statement of cash receipts and disbursements in accordance with FASB Accounting Standards Codification 450, Contingencies (formerly Statement of Financial Accounting Standards No. 5, and we have not consulted a lawyer concerning litigation, claims, or assessments.

14. The Program has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

15. We are responsible for understanding and complying with, and have complied with in all material respects, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to the Program and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on the Program.

16. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to the Program that provides reasonable assurance that we are managing the Program in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on the Program. We believe the internal control system is adequate and is functioning as intended. Also, no changes have been made in internal control over compliance or other factors to the date of this letter that might significantly affect internal control.

17. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with grant agencies relating to the Program.
18. We have disclosed any communications from grantors concerning possible noncompliance with the applicable compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor’s report.

19. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken up to the date of the auditor’s report.

20. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

21. We have made available to you all documentation related to the compliance requirements, including information related to the Program financial reports and claims for advances and reimbursements.

22. The Program financial reports and claims for advances and reimbursements are supported by the books.

23. We have charged costs to the Program in accordance with applicable cost principles.

24. The copies of Program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective grant agency.

25. No events, including instances of noncompliance, have occurred subsequent to the date of the statement of cash receipts and disbursements and through the date of this letter that would require adjustment to or disclosure in the statement of cash receipts and disbursements.

Signed: [Signature]
Name: Bob Hemker
Title: Acting Executive Director

Signed: [Signature]
Name: Kristine Roberts
Title: Senior Accountant
# FY 2011 Financial Review

**APRIL 8, 2011**

## FEBRUARY 2011 YTD

### FISCAL YEAR 2011

#### Income Statement Summary

<table>
<thead>
<tr>
<th></th>
<th>Health Development</th>
<th></th>
<th></th>
<th>Research Institute</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YTD Actual</td>
<td>YTD Budget</td>
<td>Budget Variance YTD</td>
<td>YTD Actual</td>
<td>YTD Budget</td>
<td>Budget Variance YTD</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>127,656</td>
<td>133,628</td>
<td>(5,972)</td>
<td>22,950</td>
<td>13,333</td>
<td>9,617</td>
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<tr>
<td><strong>Expenses</strong></td>
<td>69,366</td>
<td>80,582</td>
<td>11,216</td>
<td>18,341</td>
<td>28,212</td>
<td>9,871</td>
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<tr>
<td><strong>Net Income/Loss</strong></td>
<td>58,290</td>
<td>53,046</td>
<td>5,244</td>
<td>4,609</td>
<td>(14,879)</td>
<td>19,488</td>
</tr>
</tbody>
</table>
Health Development & Research Institute
Financial Trend
FY’ 2006-2011

Health Development
FY 2011 YTD Indirect Revenue Sources
### Health Development
#### BUDGET FY2012

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Budget FY11</th>
<th>Actual 7/1/10 - 12/31/10</th>
<th>Actual Annualized</th>
<th>Budget FY12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>209,142</td>
<td>92,159</td>
<td>184,588</td>
<td>177,816</td>
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<tr>
<td>Other Revenue</td>
<td>200</td>
<td>135</td>
<td>216</td>
<td>216</td>
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<tr>
<td>TOTAL REVENUE</td>
<td>209,342</td>
<td>92,294</td>
<td>184,804</td>
<td>177,816</td>
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</table>

<table>
<thead>
<tr>
<th>EXPENSE</th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Professional Fees</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Accounting Fees</td>
<td>18,750</td>
<td>10,125</td>
<td>20,250</td>
<td>14,000</td>
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<tr>
<td>Consulting Fees</td>
<td>300</td>
<td>40</td>
<td>985</td>
<td>12,500</td>
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<tr>
<td>Total Professional Fees</td>
<td>19,050</td>
<td>10,525</td>
<td>21,230</td>
<td>26,500</td>
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<tr>
<td>Supplies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hospitality</td>
<td>40</td>
<td>30</td>
<td>40</td>
<td>400</td>
</tr>
<tr>
<td>Office Supplies/Admin</td>
<td>40</td>
<td>219</td>
<td>438</td>
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<tr>
<td>Supplies Other</td>
<td>117</td>
<td>234</td>
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<tr>
<td>Total Supplies</td>
<td>40</td>
<td>336</td>
<td>672</td>
<td>500</td>
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<tr>
<td>Purchased Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair &amp; Maintenance</td>
<td>1,748</td>
<td>1,748</td>
<td>3,497</td>
<td>3,324</td>
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<tr>
<td>Total Purchased Services</td>
<td>2,796</td>
<td>3,497</td>
<td>6,994</td>
<td>6,648</td>
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<tr>
<td>Depreciation &amp; Interest</td>
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<tr>
<td>Depreciation Equipment</td>
<td>750</td>
<td>750</td>
<td>1,500</td>
<td>2,330</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>34,592</td>
<td>44,592</td>
<td>89,183</td>
<td>-</td>
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<tr>
<td>Total Purchased Services</td>
<td>34,592</td>
<td>44,592</td>
<td>89,183</td>
<td>230</td>
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<tr>
<td>Other Direct Expense</td>
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<tr>
<td>Printing &amp; Copying</td>
<td>473</td>
<td>473</td>
<td>946</td>
<td>946</td>
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<tr>
<td>Postage</td>
<td>104</td>
<td>209</td>
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<tr>
<td>Insurance</td>
<td>1,380</td>
<td>1,380</td>
<td>1,380</td>
<td>1,380</td>
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<tr>
<td>Total Purchased Services</td>
<td>2,367</td>
<td>2,595</td>
<td>5,982</td>
<td>2,326</td>
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<tr>
<td>TOTAL EXPENSE</td>
<td>120,874</td>
<td>59,338</td>
<td>118,676</td>
<td>32,880</td>
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<tr>
<td>NET FROM OPERATIONS</td>
<td>79,568</td>
<td>32,957</td>
<td>65,912</td>
<td>144,198</td>
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</table>

### Research Institute
#### BUDGET FY2012

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Budget FY11</th>
<th>Actual 7/1/10 - 12/31/10</th>
<th>Actual Annualized</th>
<th>Budget FY12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>20,000</td>
<td>16,650</td>
<td>33,300</td>
<td>20,000</td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>20,000</td>
<td>16,650</td>
<td>33,300</td>
<td>20,000</td>
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</table>

<table>
<thead>
<tr>
<th>EXPENSE</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair &amp; Maintenance</td>
<td>7,500</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Purchased Services</td>
<td>7,500</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation &amp; Interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation Equipment</td>
<td>606</td>
<td>606</td>
<td>732</td>
<td>230</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>34,212</td>
<td>15,878</td>
<td>31,756</td>
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</tr>
<tr>
<td>Total Purchased Services</td>
<td>34,818</td>
<td>16,244</td>
<td>32,487</td>
<td>230</td>
</tr>
<tr>
<td>TOTAL EXPENSE</td>
<td>42,318</td>
<td>16,244</td>
<td>32,487</td>
<td>230</td>
</tr>
<tr>
<td>NET FROM OPERATIONS</td>
<td>(22,318)</td>
<td>406</td>
<td>813</td>
<td>19,770</td>
</tr>
</tbody>
</table>
# Grant Update

**APRIL 8, 2011**

## Health Development

Current Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adverse Drug Events (ADE) Evaluation Project</td>
<td>Cardinal Health</td>
<td>To evaluate the impact of a care delivery model on medication errors and patient and provider satisfaction.</td>
<td>$25,000</td>
<td>$6,013</td>
<td>3/28/08-3/28/09</td>
</tr>
<tr>
<td>Bioterrorism/Emergency Preparedness</td>
<td>County of San Diego, Health &amp; Human Agency</td>
<td>To enhance San Diego’s Emergency Preparedness by utilizing HPP funding to purchase priority equipment and supplies including evacuation equipment, interoperable communications equipment, and surge capacity for pandemic influenza and fatality mgmt.</td>
<td>$1,040,480</td>
<td>Total over 12 years.</td>
<td>5/25/05-6/30/18</td>
</tr>
<tr>
<td>Green Oaks Ranch</td>
<td>Physical Health Services for CANN</td>
<td>Provides an intake center for assessment and placement of abused, neglected, and/or abandoned children taken into immediate protective custody by Law Enforcement Officers and/or Health &amp; Human Services Agency Social Workers.</td>
<td>$835,000 ($167,000 per year)</td>
<td>$230,861</td>
<td>7/12/07-6/30/12</td>
</tr>
<tr>
<td>TITLE</td>
<td>GRANTEE</td>
<td>Purpose</td>
<td>Awarded</td>
<td>Remaining Funds</td>
<td>Beg/End Date</td>
</tr>
<tr>
<td>-------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>-----------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Growing Our Own Medical Employees Development GO-MED</td>
<td>The California Endowment &amp; The Parker Foundation</td>
<td>Growing Our Own Medical Employees Development Program Collaborative: To increase recruitment and retention of under-represented students in health care professions to improve the quality of care delivered to residents of the North County.</td>
<td>$384,527 (TCE) &amp; $71,000 (PARKER)</td>
<td>$5,568</td>
<td>2/1/08-4/30/11</td>
</tr>
<tr>
<td>Komen – North County Project</td>
<td>Susan G. Komen</td>
<td>To provide breast cancer diagnostic services to men and women 20-50 who fall between the gaps in the medical system, whether by income level, ethnicity, age, citizenship, or lack of insurance.</td>
<td>$50,000</td>
<td>$6,635</td>
<td>4/1/05-3/31/11</td>
</tr>
<tr>
<td>MAA (Medical Administrative Activities)</td>
<td>County of San Diego Health &amp; Human Services Agency</td>
<td>Medi-Cal Administrative Activities (MAA) is a government program available to PPH to recover some of the administrative costs associated with providing Medi-Cal services.</td>
<td>Approx. $200,000 Annually</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Marjorie Mosher Schmidt Foundation - Child Abuse Program</td>
<td>Marjorie Mosher Schmidt Foundation</td>
<td>To provide funds for interior of SART/Child Abuse Program building to be painted and flooring.</td>
<td>$17,000</td>
<td>$9,899</td>
<td>12/14/09-n/a</td>
</tr>
<tr>
<td>National Children’s Alliance (NCA)</td>
<td>National Children’s Alliance (NCA)</td>
<td>Having met standards set for Child Advocacy Centers, PPH is an accredited member of the NCA. As a member of the NCA, PPH receives a grant of $10,000 annually to provide continued support for the cost of a bilingual interviewer in PPH’s Child Abuse Program.</td>
<td>$10,000 Annually</td>
<td>n/a</td>
<td>1/1/04-12/31/13</td>
</tr>
<tr>
<td>Parker - North County Project</td>
<td>Vaughn Parker Foundation</td>
<td>Donation through Foundation to provide additional funding for breast cancer diagnostic services to men and women 20-50 who fall between the gaps in the medical system, whether by income level, ethnicity, age, citizenship, or lack of insurance.</td>
<td>$50,902.60</td>
<td>$26,861</td>
<td>7/1/08-n/a</td>
</tr>
</tbody>
</table>
### Health Development Current Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Way - Forensic Interviewing</td>
<td>United Way</td>
<td>To expand the availability of specialized child forensic interviews for children and youths who may be victims of child sexual abuse who would benefit from specialized child interview than reducing the secondary trauma associated with multiple, duplicative interviews and increasing accuracy</td>
<td>$106,376</td>
<td>$31,189</td>
<td>12/1/08-12/31/11</td>
</tr>
<tr>
<td>Bilingual Interviewing Grant</td>
<td>McCarthy Foundation</td>
<td>To support PPH's bilingual interviewing services. The money will be spent increasing the availability of PPH's bilingual services.</td>
<td>$9,000</td>
<td>$5,796</td>
<td>7/1/10-06/30/11</td>
</tr>
<tr>
<td>Transitions into Practice</td>
<td>San Diego Workforce Partnership</td>
<td>To provide a transition from education to practice through a residency program for Bachelor of Science in Nursing (BSN) students in their last year prior to graduation. It will be a collaborative partnership between CSUSM and PPH. The focus of the program is to provide a bridge to clinical practice and enhance employment opportunities for CSUSM BSN graduates.</td>
<td>$268,000</td>
<td>$94,513</td>
<td>6/1/10-7/31/11</td>
</tr>
</tbody>
</table>

### Health Development Current Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHB Healthy Development Services (HDS)</td>
<td>First 5 Commission</td>
<td>To serve as lead agency for the North Inland Region to provide integrated care and treatment services that address the health, developmental and behavioral needs of children ages birth through 5 years</td>
<td>$8,760,000 ($1,752,000 annually)</td>
<td>$7,533,151</td>
<td>07/01/10-06/30/15</td>
</tr>
<tr>
<td>Palliative/Spiritual Care Grant</td>
<td>Archstone Foundation</td>
<td>The purpose is to improve the quality of spiritual care provided by the trans-disciplinary team to the critically ill patients in the medical-surgical intensive care units at Palomar Medical Center. The overall goal of the project is to put into practice the Inpatient Spiritual Care Implementation Model with an emphasis on identifying and treating spiritual distress the same as any other medical issue.</td>
<td>$200,000</td>
<td>$181,988</td>
<td>10/11/10-03/30/12</td>
</tr>
<tr>
<td>In-N-Out - Child Abuse Program</td>
<td>In-N-Out Child Abuse Foundation</td>
<td>To provide funding for SART/Child Abuse Program community education and bilingual interviewing at the center. Funds to be used to reimburse PPH lab for the costs of some tests that sometimes need to be run on children that are not covered in the fee agreement with law enforcement.</td>
<td>$3,500</td>
<td>$3,500</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### Health Development

#### New Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICU In A Suitcase</td>
<td>Integrated Medical Systems/PPH Foundation</td>
<td>Research study &quot;Clinical Efficacy of using the LS-1 for Transport of Trauma Patients in the Community Hospital Setting&quot;</td>
<td>$100,000 (50% IMS, 50% PPHF)</td>
<td>$89,967</td>
<td>11/1/2011-7/1/12</td>
</tr>
</tbody>
</table>

#### Pending Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 5 Targeted At Risk Home Visiting Program</td>
<td>First 5 Commission</td>
<td>Targeted At Risk Home Visiting Program</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>First 5 Smoking Cessation program</td>
<td>First 5 Commission</td>
<td>Target population: Prenataly and women with infants up to 1 yr of age</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>CA Wellness Foundation</td>
<td>CA Wellness Foundation</td>
<td>Core Support for 2 years</td>
<td>$130,000</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>OSHPD, Office of Statewide Health Planning and Development</td>
<td>OSHPD, Office of Statewide Health Planning and Development</td>
<td>Core Support</td>
<td>$15,000</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Weingart Foundation</td>
<td>Weingart Foundation</td>
<td>To increase access to funding and strengthen the capacity of small, community based, and developing organizations.</td>
<td>$25,000</td>
<td>TBD</td>
<td></td>
</tr>
</tbody>
</table>
### Health Development Pending Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>CalTrans</td>
<td>CalTrans (Regional Transportation Planning Agency (RTPA))</td>
<td>To improve senior and disabled patient access to medical care at both Palomar Pomerado Health Wound Care Centers (PPPHWCC)</td>
<td>$174,000</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Clinical Investigator Research Grant Program</td>
<td>San Diego Chapter of the American Association of Critical Care Nurses (SDAACN)</td>
<td>To Create, Coordinate &amp; Conduct the research study &quot;Undiagnosed Pre-Diabetes &amp; Diabetes in the ED - A Missed Opportunity for Early Referral and Treatment.&quot;</td>
<td>$2,500</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Transitions into Practice 2</td>
<td>San Diego Workforce Partnership</td>
<td>To provide a transition from education to practice through a residency program for Bachelor of Science in Nursing (BSN) students in their last year prior to graduation. It will be a collaborative partnership between CSUSM and PPH. The focus of the program is to provide a bridge to clinical practice and enhance employment opportunities for CSUSM BSN graduates.</td>
<td>$268,000</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Interlink Pathways</td>
<td>West Foundation</td>
<td>Staff funding for navigators positions</td>
<td>unknown</td>
<td>TBD</td>
<td></td>
</tr>
</tbody>
</table>

### Research Institute New Studies

<table>
<thead>
<tr>
<th>Title</th>
<th>Sponsor</th>
<th>Investigator</th>
<th>Study Start Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wingspan &amp; Neuroform Stents</td>
<td>Boston Scientific</td>
<td>Scott Olson, M.D.</td>
<td>March 2011</td>
<td>A new HDE to PPH, the stents are designed to treat a rare type of intracranial lesion. Previously patients requiring this technology would have been transferred to Scripps Memorial.</td>
</tr>
<tr>
<td>Characterization of Circulating Endothelial Cells (C.E.C.)</td>
<td>National Institute of Health</td>
<td>Rod Barry, M.D.</td>
<td>February 2010</td>
<td>PPH is partnering with Scripps to study C.E.C. to investigate potential for future screening exams for heart attacks. $16k in revenue brought into PPNCHD to date. Johnson &amp; Johnson is considering picking up the trial this year.</td>
</tr>
<tr>
<td>VISTA - 16</td>
<td>Arthera Pharmaceuticals</td>
<td>Roger Achatat, M.D.</td>
<td>Expected Start April 2011</td>
<td>Phase 3 drug trial to determine safety and efficacy of A-002 drug in suppressing vascular inflammation and treating ACS.</td>
</tr>
</tbody>
</table>
ADDENDUM B

FY 2011
Pre-Audit Financial Review

October 7, 2011
### FISCAL YEAR 2011
#### Income Statement Summary

<table>
<thead>
<tr>
<th></th>
<th>Health Development</th>
<th>Research Institute</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YTD Actual</td>
<td>194,908</td>
<td>34,150</td>
</tr>
<tr>
<td>YTD Budget</td>
<td>200,442</td>
<td>20,000</td>
</tr>
<tr>
<td>Budget Variance YTD</td>
<td>(5,534)</td>
<td>14,150</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YTD Actual</td>
<td>75,590</td>
<td>18,459</td>
</tr>
<tr>
<td>YTD Budget</td>
<td>120,874</td>
<td>42,318</td>
</tr>
<tr>
<td>Budget Variance YTD</td>
<td>45,284</td>
<td>23,859</td>
</tr>
<tr>
<td><strong>Net Income/Loss</strong></td>
<td>119,318</td>
<td>15,691</td>
</tr>
<tr>
<td></td>
<td>79,568</td>
<td>(22,318)</td>
</tr>
<tr>
<td></td>
<td>39,750</td>
<td>38,009</td>
</tr>
</tbody>
</table>
Health Development
FY 2011 Indirect Revenue Sources

HD Indirect Revenue

- Go-Med
- MAA
- United Way
- Komen
- HDS
- Green Oaks Ranch
ADDENDUM C

YTD FY 2012

Financial Review

October 7, 2011
# Income Statement Summary

## Health Development

<table>
<thead>
<tr>
<th></th>
<th>YTD Actual</th>
<th>YTD Budget</th>
<th>Budget Variance YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>24,149</td>
<td>29,513</td>
<td>(5,364)</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>3,179</td>
<td>5,480</td>
<td>2,301</td>
</tr>
<tr>
<td><strong>Net Income/Loss</strong></td>
<td>20,970</td>
<td>24,033</td>
<td>(3,063)</td>
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</table>

## Research Institute

<table>
<thead>
<tr>
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<th>YTD Actual</th>
<th>YTD Budget</th>
<th>Budget Variance YTD</th>
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<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>152,420</td>
<td>3,333</td>
<td>149,087</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>38</td>
<td>38</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Income/Loss</strong></td>
<td>152,382</td>
<td>3,295</td>
<td>149,087</td>
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Health Development
FY 2012 YTD Indirect Revenue Sources

HD Indirect Revenue

- United Way
- HDS
- Green Oaks Ranch
Health Development & Research Institute
Financial Trend
FY’ 2006-2012
ADDENDUM D

Grant Update

OCTOBER 7, 2011
## Health Development
### Current Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds Receivable</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bioterrorism/Emergency Preparedness</td>
<td>County of San Diego, Health &amp; Human Agency</td>
<td>To enhance San Diego’s Emergency Preparedness by utilizing HPP funding to purchase priority equipment and supplies including evacuation equipment, interoperable communications equipment, and surge capacity for pandemic influenza and fatality mgmt.</td>
<td>$1,040,480 Total over 12 years.</td>
<td>$433,533</td>
<td>5/25/05-6/30/18</td>
</tr>
<tr>
<td>Green Oaks Ranch</td>
<td>Physical Health Services for CANN</td>
<td>Provides an intake center for assessment and placement of abused, neglected, and/or abandoned children taken into immediate protective custody by Law Enforcement Officers and/or Health &amp; Human Services Agency Social Workers.</td>
<td>$835,000 ($167,000 per year)</td>
<td>$143,586</td>
<td>7/12/07-6/30/12 Possible renewal</td>
</tr>
<tr>
<td>MAA (Medical Administrative Activities)</td>
<td>County of San Diego Health &amp; Human Services Agency</td>
<td>Medi-Cal Administrative Activities (MAA) is a government program available to PPH to recover some of the administrative costs associated with providing Medi-Cal services.</td>
<td>Approx. $200,000 Annually</td>
<td>Approx. $250,000</td>
<td>N/A</td>
</tr>
<tr>
<td>TITLE</td>
<td>GRANTEE</td>
<td>Purpose</td>
<td>Awarded</td>
<td>Remaining Funds Receivable</td>
<td>Beg/End Date</td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>---------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Marjorie Mosher Schmidt Foundation - Child Abuse Program</td>
<td>Marjorie Mosher Schmidt Foundation</td>
<td>To provide funds for interior of SART/Child Abuse Program building to be painted and flooring.</td>
<td>$17,000</td>
<td>$0</td>
<td>12/14/09-n/a</td>
</tr>
<tr>
<td>National Children’s Alliance (NCA)</td>
<td>National Children’s Alliance (NCA)</td>
<td>Having met standards set for Child Advocacy Centers, PPH is an accredited member of the NCA. As a member of the NCA, PPH receives a grant of $10,000 annually to provide continued support for the cost of a bilingual interviewer in PPH’s Child Abuse Program.</td>
<td>$10,000</td>
<td>$5,000</td>
<td>1/1/04-12/31/13</td>
</tr>
<tr>
<td>Parker - North County Project</td>
<td>Vaughn Parker Foundation</td>
<td>Donation through Foundation to provide additional funding for breast cancer diagnostic services to men and women 20-50 who fall between the gaps in the medical system, whether by income level, ethnicity, age, citizenship, or lack of insurance.</td>
<td>$50,902.60</td>
<td>$0</td>
<td>7/1/08-n/a</td>
</tr>
</tbody>
</table>
# Health Development
## Current Grants

<table>
<thead>
<tr>
<th>TITLE</th>
<th>GRANTEE</th>
<th>Purpose</th>
<th>Awarded</th>
<th>Remaining Funds Receivable</th>
<th>Beg/End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Way - Forensic Interviewing</td>
<td>United Way</td>
<td>To expand the availability of specialized child forensic interviews for children and youths who may be victims of child sexual abuse who would benefit from specialized child interview thus reducing the secondary trauma associated with multiple, duplicative interviews and increasing accuracy</td>
<td>$106,376</td>
<td>$0</td>
<td>12/1/08-12/31/11</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Will request extension to use remaining $31,189 in advanced funds</td>
</tr>
<tr>
<td>Bilingual Interviewing Grant</td>
<td>McCarthy Foundation</td>
<td>To support PPH's bilingual interviewing services. The money will be spent increasing the availability of PPH's bilingual services.</td>
<td>$9,000</td>
<td>$0</td>
<td>7/1/10-06/30/11</td>
</tr>
<tr>
<td>Transitions Into Practice 1</td>
<td>San Diego Workforce Partnership</td>
<td>To provide a transition from education to practice through a residency program for Bachelor of Science in Nursing (BSN) students in their last year prior to graduation. It will be a collaborative partnership between CSUSM and PPH. The focus of the program is to provide a bridge to clinical practice and enhance employment opportunities for CSUSM BSN graduates.</td>
<td>$268,000</td>
<td>$0</td>
<td>6/1/10-7/31/11</td>
</tr>
<tr>
<td>TITLE</td>
<td>GRANTEE</td>
<td>Purpose</td>
<td>Awarded</td>
<td>Remaining Funds Receivable</td>
<td>Beg/End Date</td>
</tr>
<tr>
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</tr>
<tr>
<td>Healthy Development Services (HDS)</td>
<td>First 5 Commission</td>
<td>To serve as lead agency for the North Inland Region to provide integrated care and treatment services that address the health, developmental and behavioral needs of children ages birth through 5 years</td>
<td>$8,760,000 ($1,752,000 annually)</td>
<td>$6,798,623</td>
<td>07/01/10-06/30/15</td>
</tr>
<tr>
<td>Palliative/Spiritual Care Grant</td>
<td>Archstone Foundation</td>
<td>The purpose is to improve the quality of spiritual care provided by the trans-disciplinary team to the critically ill patients in the medical-surgical intensive care units at Palomar Medical Center. The overall goal of the project is to put into practice the Inpatient Spiritual Care Implementation Model with an emphasis on identifying and treating spiritual distress the same as any other medical issue.</td>
<td>$200,000</td>
<td>$110,000</td>
<td>10/1/10-9/30/12</td>
</tr>
<tr>
<td>In-n-Out - Child Abuse Program</td>
<td>In-N-Out Child Abuse Foundation</td>
<td>To provide funding for SART/Child Abuse Program community education and bilingual interviewing at the center. Funds to be used to reimburse PPH lab for the costs of some tests that sometimes need to be run on children that are not covered in the fee agreement with law enforcement.</td>
<td>$3,500</td>
<td>$0</td>
<td>N/A</td>
</tr>
<tr>
<td>TITLE</td>
<td>GRANTEE</td>
<td>Purpose</td>
<td>Awarded</td>
<td>Remaining Funds Receivable</td>
<td>Beg/End Date</td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>-------------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
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<td>----------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>ICU In A Suitcase</td>
<td>Integrated Medical Systems/PPH Foundation</td>
<td>Research study “Clinical Efficacy of using the LS-1 for Transport of Trauma Patients in the Community Hospital Setting”</td>
<td>$100,000 available (50% IMS, 50% PPHF) $22,427.60 spent on program</td>
<td>$4,131.40 (PPHF)</td>
<td>11/1/2011-6/22/11</td>
</tr>
<tr>
<td>Growing Our Own Medical Employees Development (GO-MED)</td>
<td>The California Endowment &amp; The Parker Foundation</td>
<td>Growing Our Own Medical Employees Development Program Collaborative: To increase recruitment and retention of under-represented students in health care professions to improve the quality of care delivered to residents of the North County.</td>
<td>$284,527 (TCE) &amp; $71,000 (PARKER)</td>
<td>$0</td>
<td>2/1/08-01/31/11</td>
</tr>
<tr>
<td>TITLE</td>
<td>GRANTEE</td>
<td>Purpose</td>
<td>Awarded</td>
<td>Remaining Funds Receivable</td>
<td>Beg/End Date</td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------</td>
<td>---------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Clinical Investigator Research Grant Program</td>
<td>San Diego Chapter of the American Association of Critical Care Nurses (SDAACN)</td>
<td>To Create, Coordinate &amp; Conduct the research study &quot;Undiagnosed Prediabetes &amp; Diabetes in the ED - A Missed Opportunity for Early Referral and Treatment.&quot;</td>
<td>$2,500</td>
<td>$0</td>
<td>4/15/11-11/15/12</td>
</tr>
<tr>
<td>Transitions into Practice 2</td>
<td>San Diego Workforce Partnership</td>
<td>To provide a transition from education to practice through a residency program for Bachelor of Science in Nursing (BSN) students in their last year prior to graduation. It will be a collaborative partnership between CSUSM and PPH. The focus of the program is to provide a bridge to clinical practice and enhance employment opportunities for CSUSM BSN graduates.</td>
<td>$75,000</td>
<td>$75,000</td>
<td>1/1/12-10/31/12</td>
</tr>
<tr>
<td>Interlink Pathways (GO-MED)</td>
<td>West Foundation</td>
<td>Staff funding for navigators positions</td>
<td>$260,000</td>
<td>$111,950</td>
<td>8/1/11-4/30/13</td>
</tr>
<tr>
<td>TITLE</td>
<td>GRANTEE</td>
<td>Purpose</td>
<td>Awarded</td>
<td>Remaining Funds Receivable</td>
<td>Beg/End Date</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>----------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------</td>
<td>---------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>California Transportation Commission</td>
<td>Caltrans / Regional Transportation Planning Agency (RTPA)</td>
<td>Purchase of two wheelchair accessible vans to improve senior and disabled patient access to medical care at both Palomar Pomerado Health Wound Care Centers (PPHWCC).</td>
<td>$120,000</td>
<td>$120,000</td>
<td>TBD</td>
</tr>
<tr>
<td>First 5 Targeted At Risk Home Visiting Program</td>
<td>First 5 Commission</td>
<td>Targeted At Risk Home Visiting Program</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>
ADDENDUM E

Research Institute Update

October 7, 2011
New and Ongoing Clinical Trials

• 4 new IRC approved clinical trials in Q4 FY11:
  – 1 nursing research study
  – 1 NIH study with National Cancer Institute
  – 2 industry sponsored clinical trials

• 10 new IRC approved clinical trials in Q1 FY12:
  – 3 nursing research studies
  – 7 industry sponsored clinical trials
    • 4 presented by eStudySite (antibiotics and infectious disease)
    • 3 presented by Excell Research (mental health)
Impact to PPH

• Clinical trials are bringing new patients into Palomar Medical Center

• In Q1 FY12:
  – Mental Health Unit:
    • 8 new patients
    • 147 patient days
    • 3 additional patients currently in house
  – Inpatient Nursing Units:
    • 3 new patients
    • 6 patient days
To: CHAIR AND COMMISSIONERS  
CTC Meeting: September 15, 2011
Reference No.: 4.16
Action

From: BIMLA G. RHINEHART  
Executive Director

Subject: ADOPTION OF THE FEDERAL FISCAL YEAR 2010-11 PROGRAM OF PROJECTS FOR THE FTA SECTION 5310 ELDERLY AND DISABLED TRANSIT PROGRAM RESOLUTION G-11-09

ISSUE
Under Government Code Section 14055-14055.4, the Commission is responsible for allocating funds for the Federal Transit Administration (FTA) Section 5310 Elderly and Disabled Transit Program (Program), establishing an appeals process and holding at least one public hearing prior to approving the annual program of projects.

RECOMMENDATION
Staff recommends that the Commission adopt the program of projects for the FTA Section 5310 Program, including changes that are recommended during the preceding public hearing.

The attached final Federal Fiscal Year (FFY) 2010-11 Statewide Prioritized Project List includes the projects in the draft list presented at the August 2011 Commission meeting, and incorporates changes based on the review of the information and testimony received at the August 31, 2011 staff-level conference held to hear the seven appeals received by the State Review Committee.

Adoption of the Program also authorizes the Department to fund projects, listed in priority order, down to the $25.9 million level of federal funding estimated to be available for the FFY 2010-11.

Federal Fiscal Year 2010-11 Program Grant Cycle
The $25.9 million estimated to be available for FFY 2010-11 includes the 11.47% match.

[Note: historically, Program participants have been required to use their own funds to provide a local match, in this cycle however, the match will be funded with federal toll credits].

For this cycle, 133 applications were submitted for 626 projects requesting a total of $35.1 million in Section 5310 Program funds. In accordance with the Commission’s adopted procedures, the applications are first scored by the Regional Transportation Planning Agencies (RTPAs). The RTPA must notify its applicants of their project scores and provide information about the local appeals process. The RTPA forwards a scored list of their projects to the Department.
The State Review Committee (SRC) reviews the applications to verify scoring given by RTPAs. In those instances where there is a sizable difference between regional and SRC project scores, the State Review Committee contacts the regions and discusses the differences in scoring.

Seven appeals were received by the SRC. As statutorily mandated, the Commission has established an appeals process that requires holding a staff-level conference (a public meeting for staff to hear appeals by 5310 applicants). Commission staff facilitated the required staff-level conference held on August 31, 2011 to hear the seven appeals.

The attached final FFY 2010-11 Statewide Prioritized Project List is comprised of the draft prioritized project list presented at the August 2011 Commission meeting, and incorporates changes made as a result of the information and testimony received at the staff-level conference.

The final list shows that $31,080,000 represents 120% of the estimated available federal funding. The list also serves to clarify the relative sequence of funding for projects as well as offer a ready source of additional projects if projects within 100% are not deliverable or if additional funds above the original estimated amount become available.

BACKGROUND

The Program was established in 1975 and has been administered by the Department since its inception. It provides annual grants of federal funds to purchase transit capital equipment to meet the specialized needs of elderly and/or disabled persons for whom mass transportation services are unavailable, insufficient, or inappropriate.

The Program serves a variety of client groups and programs ranging from small agencies with specific clientele (e.g., dialysis and AIDS patients) to paratransit providers serving entire communities. Most of the agencies are non-profit organizations while some are public agencies where non-profit organizations are not readily available to provide the specialized service. An 11.47% local match is required from all Program participants.

In 1996, AB 772 passed directing the Commission to have oversight responsibilities for the Program. AB 772 placed three mandates on the Commission regarding the Program: (1) the Commission shall direct the Department on how to allocate funds for the Program, (2) the Commission shall establish an appeals process for the Program, and (3) the Commission shall hold at least one public hearing prior to approving its Program of Projects.

In January of 1997, the Commission approved the procedures for the Program, criteria used to score the projects, and formed a State Review Committee consisting of representatives from the State Departments of Rehabilitation, Aging, Developmental Services and Transportation, with Commission staff acting in the role of facilitator/coordinator for the State Review Committee.
CALIFORNIA TRANSPORTATION COMMISSION

ADOPTION OF FEDERAL FY 2010-11 ELDERLY AND DISABLED TRANSIT PROGRAM

Resolution G-11-09

1.1 WHEREAS, Federal law (Title 49 U.S.C. Section 5310) provides for capital grants for the purpose of assisting private non-profit corporations and under certain circumstances, public agencies in providing transportation services to meet the needs of elderly persons and persons with disabilities for whom public mass transportation services are otherwise unavailable, insufficient, or inappropriate; and

1.2 WHEREAS, State law, AB 772 (Chapter 669, Statutes of 1996), placed three mandates on the Commission regarding the Program as follows:

1. The Commission shall direct the Department on how to allocate funds for the Program.
2. The Commission shall establish an appeals process for the Program.
3. The Commission shall hold at least one public hearing prior to approving its Program of Projects; and

1.3 WHEREAS, the Commission worked with a 15-member advisory committee made up of individuals from the Regional Transportation Agencies, state and local social service agencies, the California Association for Coordinated Transportation, the Department and Commission staff, to develop a Program process that will provide for a statewide ranked list of projects to be adopted by the Commission and funded by the Department; and

1.4 WHEREAS, the Commission adopted a process utilizing project scoring criteria and a State Review Committee consisting of representatives from the State Departments of Rehabilitation, Developmental Services, Aging and Transportation, with Commission staff acting in the role of facilitator/coordinate for the state committee; and

1.5 WHEREAS, the Commission’s adopted Program process has been complied with and the public hearing has been held.

2.1 NOW THEREFORE BE IT RESOLVED, that the Commission adopts the attached list of projects, as recommended by Commission staff, as the Federal FY 2010-11 FTA Section 5310 Elderly and Disabled Transit Program; and

2.2 BE IT FURTHER RESOLVED that in adopting the list, the Commission hereby directs the Department to allocate funds for projects on that list down to the level of actual available funding, pursuant to California Government Code Section 14055.2(b).
<table>
<thead>
<tr>
<th>Agency</th>
<th>Co</th>
<th>Order or Rural</th>
<th>Project</th>
<th>Fuel Type</th>
<th>Project Type</th>
<th>Vehicle Type</th>
<th>Vehicle Year</th>
<th>Vehicle Miles</th>
<th>FTA Match (Toll Credits)</th>
<th>FTA 5310 Share</th>
<th>Total Project $</th>
<th>Cumulative (Federal $)</th>
<th>State Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palomar Pomerado North County Health Development, Inc.</td>
<td>SD</td>
<td>U</td>
<td>Small Bus</td>
<td>GAS</td>
<td>SE</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Perimeter Pomerado North County Health Development, Inc.</td>
<td>SD</td>
<td>U</td>
<td>Small Bus</td>
<td>GAS</td>
<td>SE</td>
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<td></td>
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<tr>
<td>Arget View Crippled Children's Foundation, Inc.</td>
<td>RIV</td>
<td>U &amp; R</td>
<td>Computer Hardware</td>
<td>OE</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Arget View Crippled Children's Foundation, Inc.</td>
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<td>U &amp; R</td>
<td>Computer Hardware</td>
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<tr>
<td>El Dorado County Transit Authority</td>
<td>ED</td>
<td>R</td>
<td>Minivan</td>
<td>GAS</td>
<td>SE</td>
<td>Large Bus</td>
<td></td>
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</tr>
<tr>
<td>Fresno Co. Employment Opportunities Commission</td>
<td>FRE</td>
<td>U</td>
<td>Large Bus</td>
<td>GAS</td>
<td>SE</td>
<td>Medium Bus</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Fresno Co. Employment Opportunities Commission</td>
<td>FRE</td>
<td>U</td>
<td>Large Bus</td>
<td>GAS</td>
<td>SE</td>
<td>Medium Bus</td>
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</tr>
<tr>
<td>Fresno Co. Employment Opportunities Commission</td>
<td>FRE</td>
<td>U</td>
<td>Large Bus</td>
<td>GAS</td>
<td>SE</td>
<td>Medium Bus</td>
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</tr>
<tr>
<td>Fresno Co. Employment Opportunities Commission</td>
<td>FRE</td>
<td>U</td>
<td>Large Bus</td>
<td>GAS</td>
<td>SE</td>
<td>Medium Bus</td>
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</tr>
<tr>
<td>Gold Country Telecare, Inc.</td>
<td>NEV</td>
<td>R</td>
<td>Mobile Radios (5)</td>
<td>OE</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Abrazar, Inc.</td>
<td>ORA</td>
<td>U</td>
<td>Hardware Computers (5), Servers (2)</td>
<td>OE</td>
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<tr>
<td>Easy Lift</td>
<td>SB</td>
<td>U</td>
<td>Minivan</td>
<td>GAS</td>
<td>SE</td>
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<tr>
<td>Jewish Family Services of San Diego</td>
<td>SD</td>
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<td>Larger Bus</td>
<td>GAS</td>
<td>SE</td>
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**Notes:**
- **Cumulative (Federal $)** indicates the total cumulative federal funding for the project.
- **State Score** indicates a scoring system used to prioritize projects.
- **FTA 5310 Share** refers to the Federal Transit Administration's share of the project funding.
- **Total Project $** represents the total cost of the project.
- **FTA Match (Toll Credits)** indicates the value of toll credits used for the project.
- **Vehicle Miles** is not specified for some entries.
- **Project Type** includes categories such as Large Bus, Medium Bus, Small Bus, etc.
- **Fuel Type** includes options like GAS, SE, or others.
- **Order or Rural** indicates the rural or urban status of the project area.
ADDENDUM G

Center for Nursing Excellence

October 7, 2011

Brenda Fischer, RN, PhD, MBA, CPHQ
Grants
Transitions Into Practice I & II

• Transitions Into Practice
  – Residency Program for 30 Senior CSUSM BSN Students
  – One year program based on Quality and Safety Education Competencies for Nursing
  – $268,000 from the San Diego Workforce Partnership
  – Presentation at California Institute for Nursing & Health Care “Magic in Teaching” Conference

• Transitions Into Practice II
  – Residency Program for 15 Senior CSUSM BSN Students
  – Program based on Quality and Safety Education Competencies for Nursing
  – $75,000 from the San Diego Workforce Partnership
  – Presentation at California Institute for Nursing & Health Care “Magic in Teaching” Conference
Implementing a Model of Spiritual Care in the Medical Surgical Intensive Care Units

- Demonstration project with 9 Southern California Healthcare Organizations
- Funds 3 part time roles of NP, BCC, MSW
- Two year program
- $200,000 from the Archstone Foundation
- Presentation at National Palliative Care Conference
WHY:
Shortage in CA est. 22,500 (FTEs)
Could ↑ to 116,000 FTEs by 2020
(Hosp Assoc of So. California)
Inadequate RN staffing is linked to adverse patient health outcomes (CINHC, 2009)
High cost of orientation
High loss if not retained
Most NGs lost within first year

CRITERIA:
NEC Survey on What NGs Need
• Communication
• Critical Thinking
• Conflict Management
• Delegation
• Leadership
• Evidence Based Practice
• Hands on labs

QSEN COMPETENCIES
• Patient-Centered Care
• Teamwork & Collaboration
• Evidence Based Practice
• Quality Improvement
• Safety Informatics

NEC Critical Competencies
• Clinical Knowledge
• Technical Skills
• Critical Thinking
• Communication
• Professionalism
• Management of Responsibilities

PROGRAM: Curriculum created by Acute Care CNSs & Educators
• Residency program for 30 senior BSN students
• Bridge to clinical practice
• Didactic & clinical experience elements
• Enhanced employment opportunities

PRE-LICENSURE SPECIALTY RN TRANSITION RESIDENCY
AN INNOVATIVE ACADEMIC AND SERVICE PARTNERSHIP

STUDENT TO ADVANCED BEGINNER

Phase 1
1st Semester (Fall 2010)
4 Units Didactic
180 hr Clinical Residency
**EMPHASIS:**
General Medical/Surgical

Phase 2
2nd Semester (Spr. 2011)
4 units Didactic
180 hr Clinical Residency
**EMPHASIS:** *Beginning Specialty*
Labor & Delivery
Critical Care
Emergency Services
Perioperative Services
Adv. Medical/Surgical

BASED ON BENNER’S STAGES
• Novice: at least 1 year
• Advanced Beginner: 1-2 years
• Competent: 2-3 years
• Proficient: 3+ years
• Expert: > 4 years

CREATED:
• Pipeline of competent nursing grads to specialty areas
• Increased efficiency in transition program

OUTCOMES:
29 BSN New Grad RNs hired into
(1 moved out of area)
• Labor & Delivery
• Critical Care
• Emergency Services
• Perioperative Services
• Adv. Medical/Surgical

• **CERTIFICATE OF COMPLETION AND ACADEMIC CREDITS**
  THROUGH CSUSM EXTENDED LEARNING

• **AFTER PASSING NCLEX, NGs OFFERED OPEN RN POSITIONS**

• Decrease in Required Orientation Time
Perceptions of Obstacles and Supportive Behaviors in End-of-Life Care within a Healthcare System

Kathleen Stacy, PhD RN CNS; Pam Hicks, RN; Doris Meehan, MSN RN-BC ACNS-BC; Julie Perna, MSN RN; Jennifer Pierce, RN; Sue Phillips, RN; Ann Rocha, MSN RNC-OB CNS-BC; Melissa Rouse, MSN RN CNS-BC CEN; Lil Simmons, BSN RN PHN MA BC; Margaret Talley, PhD RN CNS CWCN-AP

Background

- Over the last two decades, the concept of palliative care has emerged as an important tenet in the care of the patient facing a serious life-threatening illness.
- One important aspect of palliative care is end-of-life care.
- As many people spend their last days as patients in the hospital, it is imperative that we study end-of-life issues to ensure a peaceful or dignified death is obtainable for the dying patient and their family.

Purpose of the Study

To determine the RNs' and LVNs' perceptions of obstacles and supportive behaviors in providing end-of-life care to patients and their families in a healthcare setting.

Design

- This quantitative study used a descriptive survey design.
- The Survey of Nurses' Perceptions of End-of-Life Care questionnaire was adapted from similar studies with critical care nurses, emergency nurses, pediatric nurses, and oncology nurses.
- Each questionnaire was reviewed and items that were appropriate for the entire healthcare organization were included.

Method

- Research setting for this study was a healthcare system located in Southern California that includes a 319-bed hospital, a 107-bed hospital, a 96-bed skilled nursing facility, a 129-bed skilled nursing facility, and a home health agency.
- Sample Size: 375 RNs/LVNs

Results

Top 3 Obstacles

1. Dealing with anxious family members.
2. Family and friends who continually call the nurse wanting an update on the patient's condition rather than calling the designated family members for information.
3. Families not accepting what the physician is telling them about the patient's poor prognosis.

Top 3 Supportive Behaviors

1. Allowing family members adequate time to be alone with the patient after he or she has died.
2. Providing a peaceful, dignified bedside scene for family members once the patient has died.
3. Teaching families how to act around the dying patient such as saying to them, "She can still hear... it is OK to talk to her."

Implications

- Provide further education regarding techniques for dealing with anxious and overly optimistic family members.
- Identify other ways that family members can get information about their loved one without continually interrupting the nurse, such as recorded message updates for the family.
- Continue to support the nurses in providing care for the dying patient.

Conclusions

Providing end-of-life care for patients and their families can be stressful for nurses as they may not be sufficiently educated or lack resources to manage the anxiety associated with the process.

Palomar Pomerado Health is a Magnet®-Recognized Health System located in San Diego, CA, which includes Palomar Medical Center, Pomerado Hospital, Villa Pomerado, Palomar Continuing Care Center, and Palomar Pomerado Home Health.
ADDENDUM H
Health Development
Board of Directors
Presentation
October 7, 2011
Building tomorrow’s health care leaders today
Gary and Mary West Foundation

Current INTERLINK Pathways Staff

Leslie Solomon
Manager Organizational Learning

• Blanca Arias, Health Career Project Navigator (.75 FTE)
• Katy Alvarez, Health Career Navigator (.5 FTE)
• Manuel Alvarado, Health Career Navigator (.5 FTE)
Gary and Mary West Foundation

• Awarded $260,000 to PPH Health Development INTERLINK Pathways
• 21 months
  - August 1, 2011 to April 30, 2013
• $148,050 disbursed to PPH Aug. 16, 2011
• $111,950 to be paid after August 31, 2012
Gary and Mary West Foundation

**Long Term Goal**

Students are prepared to enter careers and/or education in health care
OBJECTIVE 1

To increase the number of internship opportunities for high school students
OBJECTIVE 1 Metrics (Establish Baseline)

1. Increase in number and type of PPH Internship slots today
2. Increase in CAB Internship opportunities today
3. Documentation of Process
   - Hours disseminating information
   - Hours visiting schools
   - No. of hours Networking with partners including CAB members

Next Steps: Establish Baseline and targets
OBJECTIVE 2

INTERLINK Pathways Assists Health Care Academy (HCA) Students to enter and complete internships
OBJECTIVE 2 METRICS

1. Increase number of Applicants from HCA Schools
2. Increase Acceptances into internships
3. Percentage of Internship Completions
4. Process Metrics:
   - Increase student confidence
   - Measure student satisfaction with internship experience
OBJECTIVE 3

Speakers Bureau exposes students to additional health occupations aside from medicine and nursing
OBJECTIVE 3  METRICS

• Increase the number of speakers on Speakers Bureau
• Increase number of Events/Presentations
• Increase the number of students participating
Gary and Mary West Foundation
Short Term Outcomes Summary

- Develop Internship Expansion plan for PPH and Community Advisory Board members to increase number of internship slots for High School students in North San Diego County.

- Develop Guidelines and Best Practices for internship expansion

- High School and College students receive information and education regarding occupations apart from medicine and nursing. (Allied Health, Technical, Administrative)

- HCA High school students report feeling confident and prepared for the internship interview process.

- HCA High School students are satisfied with the internship experience and feel able to decide on health care careers as a career/education choice.
Gary and Mary West Foundation

August to October 2011 Focus

1. Assessment of current Internship capacity at PPH completion date Oct. 30
2. Assessment of organization needs for internship expansion at PPH by Q2 (Jan. 2012)

November 2011 to January 2012 Focus

1. Convene Community Advisory Board
2. Assessment of current internship capacity within organizations represented on Community Advisory Board after Q2
Gary and Mary West Foundation

What’s New and Different for INTERLINK Pathways

**CURRENT FOCUS**

- West Foundation focuses on High School and High School Health Care Academy Students
- Internships are central focus
- Collaboration with North County Organizations is focused on internships

**No Longer Funded**

- Adult Health Career Pathway
- Regional Collaboration for Program and Funding
- Cultural and Linguistic Appropriate Services
West Foundation

- Targeting Youth 16 to 24
- Focus is workforce development
- Philosophy on outcomes: demonstrate job placement, the priority is to get people jobs and developing people so they are more employable
INTERLINK Pathways

Internship Benefits to PPH

- Improve Patient Satisfaction
- Reduce cost of training new graduates or new employees
- Increase Diversity
- Improve Quality of Care
INTERLINK Pathways
Future Funding and Strategies

- Pending LOI to Workforce Funders Collaborative May 2011
- INTERLINK Pathways Funding Strategy Planning Meeting to be scheduled
- Maintain relationships with Funding Partners
- Collaboration with PPH Foundation
- Leverage previous endowment projects for future funding for adult health career pathway
- Determine strategy for Regional Collaboration
- Determine next evolution of CLAS
INTERLINK Pathways Strategic Plans

- Assess PPH Current Picture of PPH Internships throughout the organization
- Establish working definition of levels of internships
- Assess PPH Internship expansion needs
- Market expanded internship opportunities to PPH Leadership
- Involve Strategic PPH department heads in Internship planning
- Develop Strategic plan to address continuity
- Expand working partnership with Pipeline Career Services
- Expand Internship Opportunities in Funding Think Tank for continuity